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SAVINGS & INVESTMENTS — HOME INSURANCE — A question of discounts — p9

BOOKS — PAUL JOHNSON'S History of our time — p14

FEATURES — POLITICS TODAY p18 — Towards a June election — p19 SIR JOHN KING — A Tory engineer takes wing

ARTS — Manet's Paris — p16

HOW TO SPEND IT — Indian fabrics come to town — p15

NEWS SUMMARY

GENERAL

Israel agrees to Shultz proposals

The Israeli cabinet has accepted *in principle a U.S. plan for withdrawing* its troops from Lebanon.

But it wants clarification of some of the security and political *aspects of the agreement.*

U.S. Secretary of State George Shultz has been travelling between Jerusalem and Beirut to arrange the pact. He will now go to Jordan and to Syria, where its terms have already been opposed. Syrian withdrawal from Lebanon is needed before Israel will agree to leave. Back Page

Reagan rebuffed

A Congressional committee cut $10.5bn (£6.7bn) from President Reagan's defence spending request for next year but approved funds for his MX missile plan.

Aircraft plunge

A jet carrying 172 people from Miami to Nassau lost power in *all engines because three small* oil seals were missing and plunged 17,200ft before regaining power.

Madrid deadlock

The Soviet Union rejected new Western human rights proposals aimed at breaking a deadlock at the Madrid European Security *Review Conference.* Page 2

Jail for fraud

Three men were convicted at the Old Bailey of selling smuggled gold and melted Krugerrands, without paying VAT. One was jailed for seven years and fined £400,000. An inquiry into the alleged attempt to bribe a juror is under way.

Energy office

The Government is to create an Energy Efficiency Office to promote energy conservation and co-ordinate state campaigns. Back Page

Rape sentence

Stephen Booth was jailed for life at the Old Bailey for raping *and "almost murdering" a girl* on Streatham Common, London. He also admitted attacking six other women.

EEC demand

The EEC demanded more explanations from Argentina on the fate of thousands of people missing theer is the last eight years. Many were Europeans.

Councils warned

Scottish Secretary George Younger told five high-spending local bodies to make big rate reductions or face cuts in their grants. Page 5

NHS study

Management consultants are to be appointed to study ways of *improving the way NHS family* practitioner services are run. Page 3

Bet noir

France banned electronic gambling machines from bars and cafes. Interior Minister Gaston Defferre said organised crime had taken them over.

Briefly . . .

Central African Republic, hit by drought, called for aid.

Italian Senate leader Tommaso Morlino, 57, died.

BUSINESS

Harrods result due over weekend

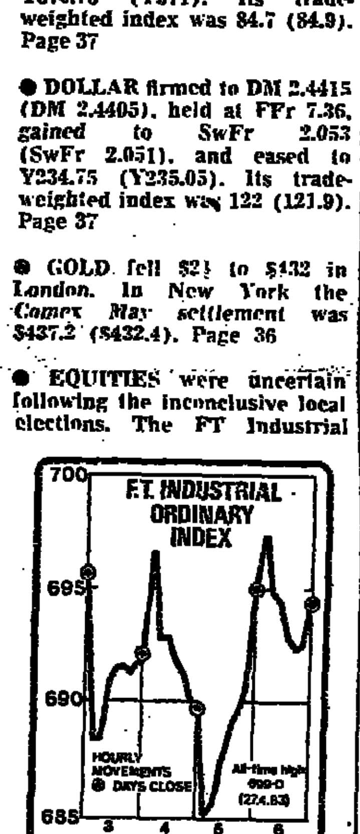
● HOUSE OF FRASER will tell shareholders over the weekend whether Lonrho's move to force it to float off Harrods of Knights*bridge has succeeded. At yesterday's* meeting shareholders with a crucial 4 per cent stake were *still* undecided. They could help Lonrho push through its plans to restructure the stores group.

● STERLING held at $1.578, firmed to DM 3.855 (DM 3.85125), FFr 11.615 (FFr 11.61) and SwFr 3.2425 (SwFr 3.2375), but eased to Y370.75 (Y371). Its trade-weighted index was 84.7 (84.9). Page 37

● DOLLAR firmed to DM 2.4415 (DM 2.4405), held at FFr 7.36, *gained* to SwFr 2.053 (SwFr 2.051), and eased to Y234.75 (Y235.05). Its trade-weighted index was 122 (121.9). Page 37

● GOLD fell $2½ to $432 in London. In New York the *Comex May settlement* was $437.2 ($432.4). Page 36

● EQUITIES were uncertain following the inconclusive local elections. The FT Industrial



Ordinary index was 0.6 down at 694.4. Page 39

● *GILTS were quiet, with losses* ranging to 1/16 in the shorts and ¼ in the longs. Page 39

● WALL STREET was up 19.73 at 1,239.45 near the close. Page 38

● NIGERIA: a group of international banks proposed refinancing part of the country's estimated $5bn (£3.2bn) arrears on short-term payments. Back Page

● BRAZIL is to attempt to renegotiate quarterly performance criteria set by the IMF as conditions for its three-year standby loan. Page 3

● MINEWORKERS' union signalled a policy shift away *from calling national strikes* over pit closures towards crippling selective economic pits. Page 3

● EXTEL, news agency group, *launched a £12.5m agreed* counter bid for Benn Brothers, business publisher. Back Page

● PHILIPS, Dutch electronics group, and Zanussi of Italy *signed a letter of intent on co*-operation in the consumer electronics field, particularly televisions.

● RUPERT MURDOCH plans to launch five U.S. direct broadcast satellite television stations. Page 25

● SEARS HOLDINGS, the Selfridges and British Shoe Corporation group, acquired 20 per cent of Central Independent Television's shares *for £7m.* Page 20

Thatcher still likely to go for June election

BY PETER RIDDELL, POLITICAL EDITOR

JUNE REMAINS the most likely date for a general election, despite the suggestion of *the local election results that* the Tories have a much smaller lead over the other parties than recent opinion polls indicated. As Mrs Thatcher nears a deci*sion on timing to end a month* of increasing speculation the majority view at Westminster *is that it will require a marked* change of direction to stop the June bandwagon.

The local election results suggest that the Conservatives would win an overall majority in the Commons, and Mr Jim Mortimer, Labour's general secretary, *conceded that there was still "a* good way to go before Labour could win a majority in an *election." Nonetheless, Labour* appears to be recovering while the Alliance vote has fallen back. The Conservatives are estimated to have received about 40 to 41 per cent of the vote in the local polls, with Labour obtaining about 35 per *cent and the Alliance 23 per* cent.

These figures will probably not be the crucial influence on the election date. The decision will be affected as much by the economic outlook and by the expectations of an early election which Tory leaders have allowed to build up in the past month. Many senior Conservatives believe the Prime Minister *has mishandled the issue* by narrowing her options.

Mrs Thatcher will be discus*sing the political prospects* with senior ministerial and political advisers at Chequers tomorrow. The precise election date is still uncertain, with political opinion oscillating between Thursday, June 9, the recent narrow favourite, and June 16 and 23.

No statement is likely until Monday, though there are *strong pressures for an early* announcement.

Mr Cecil Parkinson, chairman of the Conservative Party, yesterday tried to play down the significance of the local election results. He said the outcome was very encouraging for *the Government and confirmed* the position was as the party had suspected.

Labour's leaders were encouraged by the results and there was evidence of *a* recovery of working-class support in council estates even in the southern half of the country. Mr Mortimes, speaking in Surrey where Labour and union leaders were discussing election strategy, claimed yesterday that things were moving in the party's direction.

These figures are highly tentative and depend considerably on the extent to which the Alliance would take votes disproportionately more from the Tories rather than from Labour. On the basis of Thursday's figures, the indicated overall Tory majority could be rather smaller, possibly even less than now.

*Consequently, the key mar*ginals could have gone either way based on Thursday's figures. Cambridge, Bury South and Stevenage would all probably go to Labour, with the Tories winning Keighley, Stockport and Bolton north-east.

Analysts also point out that the Tories would have had a national lead of 5 to 6 percen-

Continued on Back Page

Parties gain at cost of local independents

BY ROBIN PAULEY

THE NORTH-SOUTH political divide appears to be hardening —at least in local politics, with Labour failing to take firm control of the crucial Midlands territory.

This is the only firm conclu*sion to be drawn from* Thursday's local elections in England and Wales. The final results yesterday showed that the Conservatives, Labour and the Liberals all gained more seats than they lost; the Social Democrats and independents lost more than they won.

Each party had its unexpected, and therefore slightly spectacular, successes and failures. The Tories won Reading, lost Stockport and held Birmingham. Labour captured Liverpool, lost Bristol and held *Newcastle. The Alliance lost* Adur (which centres on Shoreham in Sussex) won Chelmsford but failed in the much more likely areas of Cheltenham and Worthing.

Although the results were patchy and inconsistent for all parties, with no real overall "winners," there was one group of losers — the independents. They lost seats at the rate of about four for each one gained as voters, scenting a general *election, returned to party* politics.

The SDP-Liberal Alliance *picked up 23 per cent of the* vote across the country but failed to make any serious inroads into local government, particularly in the big urban conurbations. The SDP fared worse than its partners, as lack of local organisation still more *than countered an improved* system of "targeting" of winnable seats.

Results in full and voting pattern analysis, Pages 4 and 5; Feature, Page 18; Lex, Back Page

STATE OF THE PARTIES*

	Con	Lab	Lib	SDP	Ind	Others
Seats gained	*508*	*303*	259	66	98	42
Seats lost	389	264	144	74	335	70

** In 300 of the 314 councils where results can be compared. No comparison is possible in 49 councils because of ward boundary changes.*

W. Germany says Hitler diaries are forged

By Jonathan Carr in Bonn

THE WEST GERMAN Government has pronounced as forgeries the so-called Hitler diaries, excerpts from *which have been carried by* Stern magazine of Hamburg and were due to be carried by the Sunday *Times and* The Times in Britain.

The Interior Ministry said yesterday that intensive analysis showed the diaries were produced since the war, so they could not have come from the hand of Adolf Hitler.

The Sunday Times announced that it would not be going ahead with publication of the diaries. Herr Henri Nannen, publisher of *Stern, said: "We will not* publish a single line of the so-called diaries on which we cannot absolutely depend."

The West German Government's denial of authenticity emerged from examination by three separate official *bodies* of—among other things—paper, ink and material used to seal the volumes.

The Federal Archives at Koblenz, the Federal Criminal Bureau at Wiesbaden and the Federal Office for Material Examination in Berlin had had for analysis only seven from a total of *about 60 volumes of diaries.*

All three bodies decided that the volumes they had were not authentic, and all said they were convinced the same would be true of the documents they had not examined.

Stern noted that, before it announced the Hitler diaries were in its possession, it had obtained confirmation of authenticity from experts at home and abroad. Therefore, it had begun publication in all good faith.

News *International,* parent company of Times Newspapers, stated: "The Sunday Times accepts the report of the German archivists that the volumes they have examined contain materials that demonstrate the diaries are not authentic."

The decision to purchase rights to the diaries had been *taken after "the very positive* indications of their authen-

Continued on Back Page

Jobless trend still rising

BY MAX WILKINSON, ECONOMICS CORRESPONDENT

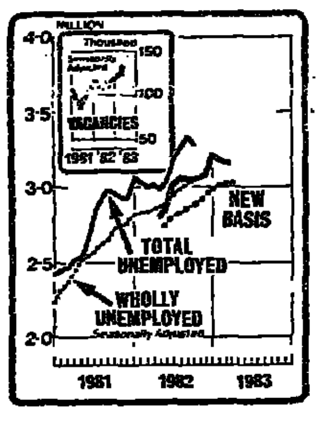
THE RECORDED unemploy*ment total including school* leavers fell by 3,000 to 3.2m last month but the underlying trend remains upward.

The Employment Department latest returns show that the underlying figure rose by 21,900 to 3.02m. This would have been 26,400 higher but *for an* accounting change announced in the Budget. This allowed unemployed men aged 60 to 65 to obtain National Insurance credits for their pensions without signing on at unemployment benefit offices.

Last month 26,400 of the 90,000 men in this category came off the unemployment register. The rest are expected to make the change this month.

A *second Budget change* will remove a further 42,000 men aged more than 60 from the register in the summer. These are unemployed men receiving supplementary benefit who, from next month, can opt for the higher (pension) rate if they *are no longer seeking work.*

This change is expected to reduce recorded unemployment substantially in July.



These once-for-all reductions will be added to the normal seasonal fall in unemployment which occurs in the late spring and early summer.

Thus, a fall of about 60,000 a month in the headline totals for this month and next is *expected.*

This month's headline total, to be published on June 3, could show a fall of about 100,000—a welcome movement for the Government if it decides on a June election.

The Opposition will empha*sise, however, that the underly*ing rise in unemployment continues at a dismally steady pace.

Last month's 21,900 underlying rise, allowing for seasonal *factors and the accounting* change, compares with an average monthly increase of 27,700 in the previous 12 and an average of 25,600 in the first three months of this year.

Signs that unemployment may be increasing less quickly are, therefore weak, although the Government may be encouraged *by the slow but steady increase* in the number of vacancies recorded at jobcentres.

Vacancies last month were 134,500, seasonally adjusted. *This was 8,400 more than the* figure for the previous month. About half the increase represented a rise in the number of permanent jobs offered in government-sponsored community programmes.

Recorded vacancies were *nevertheless the highest since* June 1980 and 23 per cent higher than a year earlier.

Regional map, Page 3

Amoco attacks sales of British Gas oil assets

BY RAY DAFTER, ENERGY EDITOR

AMOCO, a major U.S. oil group which plans a $500m (£316m) North Sea oil development with British Gas, attacked the Government yesterday, for the way *it is selling the gas corpora*tion's oil assets.

"I don't think it is cricket," said Mr Howard Dalton, managing director of Amoco (UK), Exploration, which is one of the gas corporation's partners in a number of offshore projects.

Along with Texas Eastern and Amerada Hess, Amoco and British Gas plan *to exploit the* small Arbroath Field, 140 miles north-east of Aberdeen, it was disclosed.

Under original development agreements Amoco and other co-licensees held the right to match any bid for British Gas assets in fields in which they *were in partnership.* But Mr Dalton said the Government had now "circumvented" that right by transferring the Gas Corporation's oilfield interests to a holding company.

Mr Dalton also challenged the decision of Mr Nigel Lawson, *the Energy Secretary, to sell* the corporation's oil assets. "I am puzzled why he is doing this. British Gas is a very effective organisation. It works."

Even so, he went on, Amoco might well bid for some of the assets which, according to *stockbrokers, could raise be*tween £350m and £550m for the Treasury.

Amoco is a partner with British Gas in four commercial oilfields, Hutton; North-West Hutton; Fulmar; and Montrose.

The Arbroath Field lies immediately to the south of Montrose. Amoco is discussing with Energy Department officials *whether the field should be* classified as a separate reser-

Continued on Back Page

Glaxo wins vital U.S. go-ahead for sale of its anti-ulcer drug

BY CARLA RAPOPORT

GLAXO, Britain's largest pharmaceutical company, has been given a crucial go-ahead *by the U.S. Food and Drug* Administration for the sale of its anti-ulcer drug, Zantac, in the U.S.

The news took the company's shares to 895p yesterday, a rise of 40p. The U.S. is the largest single market for drugs, with *annual sales worth more than* $14bn (£8.87bn).

Zantac works by blocking the secretion of gastric acid in the stomach, thus allowing an ulcer to heal. The drug's only major competitor in the field is Tagamet, produced by Smith *Kline Beckman of the* U.S. Tagamet is at present the best-selling drug in the world, with sales worth almost $1bn (£633m) a year.

Zantac, which was launched in the UK in late 1981 has now captured 30 per cent of the *overall anti-ulcer drug market.* In Italy, it has a 70 per cent share, while figures for the first six months of sales in West Germany give Zantac a 25 per cent hold on sales in that market.

A "national launch" of *Zantac in the U.S. now awaits* agreement with the FDA on the drug's labelling. This process normally takes about two months.

So far, however, the FDA has only given the go-ahead for the use of Zantac in the short-term *treatment of duodenal ulcers.* Tagamet's approved uses in the U.S. are much wider, although it is expected that Zantac will achieve further approvals within the next year.

London stockbrokers de Zoete & Bevan expect that Zantac's *sales in the U.S. will reach $75m* in their first year, out of projected worldwide sales of $215m in the year to June, 1983.

In the year to June, 1982, the company's total sales of Zantac were estimated at around $75m. De Zoete's predicts that sales of *the drug will reach $565m by* 1985.

Glaxo will market Zantac in the U.S. in a joint-promotion deal with Hoffmann-La Roche, the Swiss pharmaceutical group. More than 450 salesmen will be selling the drug across the U.S. through Glaxo's U.S. subsidiary, based in Fort Lauderdale, Florida.

Glaxo has been one of the fastest-growing companies in Britain during the last five years. Its sales have grown from £543m in 1978 to £865.8m in 1982. Earnings per share in that period have increased by more than 16 per cent annually, from 24.6p in 1978 to 46.8p in 1982.

Analysts expect Zantac to *create a larger market for anti*-ulcer drugs, rather than significantly to cut into Tagamet's market share.

Lex, Back Page

£ in New York

	May 5	Previous
Spot	$15795	$1.5780-5790
1 month	0.19-0.17 dis	0.20-0.18 dis
3 months	0.47-0.43 dis	0.47-0.43 dis
12 months	1.15-1.05 dis	1.10-1.02 dis

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES:

Benn Brothers	193	+ 8
European Ferries	78	+ 5
Exco	630	+ 57
Glaxo	895	+ 40
House of Fraser	200	+ 10
London Brick	166	+ 3
Rank Org	168	+ 6
Regalian	68	+ 17
Rowntree Mac	236	+ 6
RCA Drilling	43	+ 4
Saxon	188	+ 23
Tricentrol	178	+ 6
Elandsrand	$75	+ 21
Gold Fields SA	£95	+ 2½

FALLS:

Exch 12½pc '99	£111½	− ¼
Akroyd & Smithers	351	− 14
Barratt Devs	462	− 8
Beecham	375	− 10
Hambros	105	− 10
Mellins	142	− 15
Minet	127	− 6
Sotheby's	440	− 10
Sound Diffusion	232	− 23
Trident TV A	86	− 3½
UEI	285	− 30
BP	355	− 10

CONTENTS

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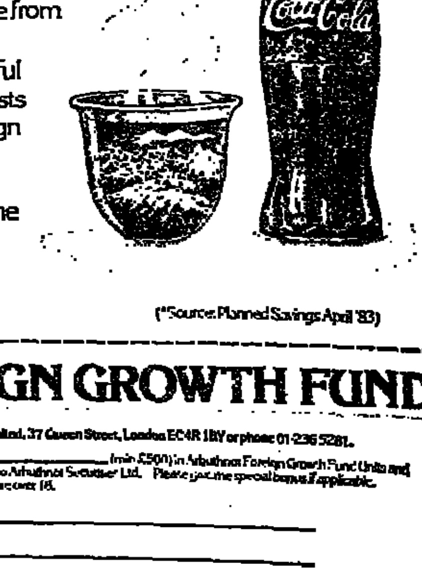

China urges Seoul to return hijackers

By Mark Baker in Peking

SENIOR Chinese officials will make an unprecedented trip to South Korea today to negotiate the return of the six hijackers of a Chinese domestic airliner.

The South Korean Government has indicated it is ready to hand back the five men and a woman who hijacked a Trident jet with 106 people aboard in an attempt to fly to Taiwan.

The six Chinese, who surrendered eight hours after landing at a U.S. air base near Seoul, are almost certain to be executed on their return to Peking.

The director-general of the Civil Aviation Administration of China (CAAC), Mr Shen Tu, and other officials are expected to fly to Seoul early today.

Administration officials said late yesterday that the South Korean authorities had approved the trip after receiving a personal telegramme on Thursday night from Mr Shen.

The agreement for the trip is remarkable because the Chinese Government, which backs the Communist government in North Korea, does not recognise the Seoul Government.

The South Koreans are reported to have said that they are treating the incident as a hijacking and will comply with international law, which stipulates that hijackers must be sent back to the country of origin.

The Chinese jet, carrying 96 passengers and nine crew, was hijacked on Thursday morning during a flight from Shenyang, north-east of Peking, to Shanghai. It is the first time that a Chinese civilian aircraft has been successfully hijacked out of the country.

Reports from Seoul say that about an hour after the aircraft left Shenyang, the hijackers, armed with pistols and explosives, forced their way unto the flight deck after shooting out cabin locks.

They ordered the pilot to fly to Taiwan. During scuffles with the crew, the navigator and radio operator were wounded.

Reports say the aircraft first flew to North Korea and circled the capital Pyongyang several times before heading to South Korea. It landed at Chunchon airbase, a U.S. military field 30 km north east of Seoul.

Seoul Radio reported that after eight hours on the ground, the hijackers surrendered to South Korean police and U.S. military officials. The wounded, one of whom was said to be seriously injured, underwent surgery at a U.S. military hospital.

COVERT U.S. AID FOR NICARAGUAN GUERRILLAS TO CONTINUE

Compromise on rebel funds agreed

WASHINGTON — The U.S. Senate Intelligence Committee yesterday approved a compromise plan that would allow President Ronald Reagan to continue covert support for Nicaraguan Rebels until September 30 but require him to submit a redefined programme if it is to continue after that.

The compromise would permit the House of Representatives and Senate intelligence committees to vote on whether to release money for the new plan. Without that approval, the covert action would end.

Republican senator Barry Goldwater, committee chairman, announced the compromise in a rare news conference. He said the panel's vote favouring the compromise was overwhelming, but he declined to announce the vote.

Mr Goldwater said President Reagan, who had lobbied against another proposal to cut off funding for the covert action, had agreed to submit a new presidential finding defining the scope and goal of CIA activities within the next few months.

On Tuesday, the House Intelligence Committee voted to terminate U.S. covert aid to the insurgents fighting against the left-wing Nicaraguan Government. Mr Reagan called that vote "irresponsible."

Mr Goldwater said the committee did not vote on a proposal from Republican Senator David Durenberger to cut off the aid.

The compromise, prepared by Mr Goldwater, could, however, prevent the covert action after September 30—the end of the current fiscal year—if the new presidential finding does not meet the concerns of the committee members.

● Nicaragua has said that a rebel invasion of its territory on two fronts has been contained but has asked for an urgent meeting of the UN Security Council to stem what it said was a U.S.-backed invasion.

Nicaragua's UN Representative said measures had to be taken to stop the rebel infiltrations because a deterioration of the situation would endanger world peace and security.

● Costa Rica, caught in Central American violence without an army of its own, has asked for an international force to guarantee its northern frontier with Nicaragua.

The request was presented to the Arganisation of American States in Washington by Sr Hernando Soto, the Costa Rican representative and Ambassador to the U.S.

Costa Rica wants the force to be made up by Mexico, Panama, Colombia and Venezuela.

The U.S. State Department said on Thursday it would study the Costa Rican request and consult with other Latin American countries before reaching a decision on what the U.S. position would be.

Agencies

U.S. attempts to halt theft of technology

BY NANCY DUNNE IN WASHINGTON

THE U.S. State Department yesterday announced the implementations of a new visa policy aimed at stemming the theft of strategic technology by visitors to the U.S.

While unable to estimate the number of visitors the new procedures would effect, Mr Wililam Schneider, the Undersecretary of State, said the policy would apply to "a considerable number" of people "known to be in the business of illegal technology acquisition."

He said that visa applications sent routinely from U.S. consular officers would be "married" with information from intelligence agencies. Depending on the results, visas might then be denied or visitors may be restricted in their U.S. travel.

Although the U.S. has not previously had regulations which permit a denial of visas on grounds that visitors may attempt to acquire strategic U.S. technology, the policy will not require additional legislation.

Mr Schneider, chairman of an interagency group on the transfer of strategic technology which has studied the problem over the past year, said that weaknesses in the visa procedures had allowed Warsaw Pact countries to acquire technology, savings "hundreds of millions of dollars in research and development costs . . . and years in developmental lead time in weapon systems and defence industrial production."

He said the range of trade secrets stolen was very substantial. They include: military equipment, electronic test equipment, industrial processes, and industrial technology.

He claimed that, through the theft of technology secrets, the Warsaw Pact nations had been able to develop better tactical aircraft and fire-control systems, and improve air defence, nuclear weapon design and ballistic missile guidance.

He said he hoped the new visa procedures would deter many who might be planning to enter the U.S. to acquire technology illegally.

The procedures concern technology which is on the commodity control list, on the munitions list, regulated under the Atomic Energy Act, or controlled by the national security classification system.

Brazil seeks talks on IMF loan conditions

BY ANDREW WHITLEY IN RIO DE JANEIRO

BRAZIL is to attempt to renegotiate the quarterly performance criteria set by the International Monetary Fund in February as a condition for its three-year standby loan of $4.9bn.

Targets agreed with the IMF for money supply growth, the public sector deficit and the balance of payments deficit are all badly astray, partly because the effects of the maxi-devaluation of the Cruzeiro.

Sr Carlos Langoni, Brazil's central bank Governor, told the Gazeta Mercantil, the leading business daily newspaper yesterday that the Government hoped to maintain the targets for the whole year but wants to adjust the quarterly timetable.

Brazilian officials are to hold a new round of talks with the IMF in Washington in 10 days time shortly before the expected dispersement of the next tranche of the IMF loan.

Brazil is likely to seek a waiver on its specified performance criteria, to allow it to obtain the badly needed $411m tranche. The country's cash flow position remains acute, with an accumulation of arrears on foreign payments.

Speaking to investment bankers in Rio on Thursday, Sr Langoni publicly acknowledged for the first time the problems caused by the inflation index-linked nature of Brazil's economy for the Government's policy of economic adjustments.

Mary Helen Spooner in Santiago adds. Chile's foreign reserves, which had been declining since the end of 1980 and which registered several sharp drops early this year, have begun slowly to increase.

According to the latest figures from the central bank, Chile's international reserves on April 14 stood at $1.597bn, a modest increase over the $1.577bn reported at the end of March.

Chile's reserves have fallen from a high of around $4bn in December 1980 to $2.577bn by the end of last year. The balance of payments deficit has also diminished from $1.015bn at the end of March to $979m by April 14.

U.S. unemployment rate slips to 10.2% in April

BY NANCY DUNNE IN WASHINGTON

THE U.S. unemployment rate edged downward by 0.1 per cent in April to 10.2 per cent as the economic recovery slowly gathered steam.

According to the Labour Department, the jobless rate is now at its lowest for seven months, with 11.3m without employment besides 1.8m too discouraged to even look for work.

Unemployment in manufacturing dropped from 12.8 to 12.4 per cent last month, the major improvement being among women. Joblessness for women dropped from 8.8 per cent to 8.4 per cent, but among men it rose 0.2 per cent to 9.8 per cent.

Unemployment declined from 11.2 per cent to 10.4 per cent for workers employed in the wholesale and retail trade, and total employment rose by 355,000 to 99.5m. However, black workers have returned to a 20.8 per cent unemployment rate, a rise of 0.9 per cent from last month.

Paul Taylor in New York adds: Eastman Kodak, the U.S. photographic products group, said yesterday that it plans to lay off a further 1,600 employees at its Rochester, New York, photographic equipment division because of depressed sales.

Three months ago Kodak laid off about 1,100 people at the plant. Taken together with 1,000 workers who took early retirement or voluntary redundancy earlier this year, this means the company has reduced its workforce in Rochester by 19 per cent to 16,000 since late January.

Kodak sales fell by 5 per cent to $2.13bn in the first quarter and its net profits plunged 73 per cent to $49.4m after a $87.5m special charge related to the retirement and redundancy programme.

Kodak said the latest lay-offs were necessary because of "adjustments in production schedules as a result of business conditions." The Rochester plant is Kodak's only U.S. apparatus plant. It manufacturers cameras, copiers and other photographic equipment.

Sweden protests over Soviet submarines

By Kevin Done, Nordic Correspondent in Stockholm

SWEDEN yesterday warned Moscow that continuing violations of its territorial waters by Russian submarines would have a very serious impact on bilateral relations.

Mr Olof Palme, the Swedish Prime Minister, rejected as unacceptable the Soviet response to the protest note handed by the Swedish Government to Mr Boris Pankin, the Soviet Ambassador in Stockholm last week.

The Russian Ambassador had said that the Soviet Union had been wrongly accused and had attacked the "unfriendly" behaviour of the Swedish Government and the anti-Soviet propaganda appearing in the Swedish press.

Reagan undecided

President Reagan said in a radio interview yesterday it would probably be late summer before he decides whether to reappoint or replace Mr Paul Volcker as Chairman of the Federal Reserve Board, Reuter reports from Phoenix, Arizona. He repeated denials of reports that he had decided to replace Mr Volcker.

Japan-China visit

Mr Malcolm Baldrige, U.S. Commerce Secretary, will lead a delegation to Japan and China from May 12-26 in the Administration's latest effort to ease trade frictions with those countries, Reuter reports from Washington. An economic summit meeting is set for May 28-30 in Williamsburg, Virginia, of leaders from the U.S., Japan, West Germany, France, Britain, Italy and Canada.

Two Africans shot

South African police shot dead two black guerrillas belonging to the banned African National Congress in an incident on Wednesday night near the Botswana border, Reuter reports from Pretoria. Police said the guerrillas were armed with Soviet weapons and grenades.

Grants from EEC

The EEC Commission yesterday announced regional fund grants worth almost $220m for projects in Italy, Greece and Britain, Reuter reports from Brussels. Britain's $10m will finance projects to create or save 1,100 jobs.

Restrictions eased

Italy has eased currency restrictions on Italian tourists, Reuter reports from Rome. They may now export up to L1.6m ($1,100) worth of foreign currency each year, as well as up to L200,000 ($140) banknotes each trip. Previously, tourists were allowed only L1.1m ($750), including banknotes.

Hodel suggests a softening of U.S. line at IEA talks

BY PAUL BETTS IN PARIS

MR DONALD Hodel, the U.S. Energy Secretary, suggested yesterday that Washington will adopt a conciliatory approach to the ministerial meeting of the International Energy Agency (IEA) in Paris tomorrow.

The IEA meeting will consider a six-month study on the energy requirements and security of Western industrialised countries.

The study has been at the centre of the long running controversy between the U.S. and its European allies on the Siberian gas pipeline. But the recent decision to drop one of the key points of contention between Washington and the European countries appears to have reduced the risk of a major dispute occurring at the IEA meeting this weekend.

Mr Hodel said yesterday that the U.S. was prepared to support the conclusions of the IEA study. He also said "my assumption is that the pipeline quarrel is finished."

The key point of contention in an earlier draft of the IEA report was a recommendation that no Western country be dependent on one single producing country for more than 30 per cent of its annual energy needs.

This 30 per cent ceiling was objected to by France and West Germany which will both see their imports of Soviet gas increase substantially when the pipeline is due to come on stream next year.

The study none the less is understood to contain a recommendation whereby West European countries would review on an annual basis their gas import projects.

The IEA ministerial meeting will be the first of a series of meetings in Paris on international economic and East-West issues focused around the Organisation of Economic Co-operation and Development (OECD).

The IEA meeting will be largely centred on global energy security issues with the detailed debate on East-West trade being taken up by the OECD council meeting on Monday and Tuesday.

Despite the apparent conciliatory tone last night of Mr Hodel on the debate about energy problems, the U.S. has clearly not abandoned its firm stand on the monitoring and control of sensitive technological exports from the West to Moscow.

Polish journal criticised

BY DAVID BUCHAN

A SOVIET weekly magazine has attacked one of Poland's most influential journals, in what appears to be a warning to the Jaruzelski government not to permit any creeping rehabilitation of Solidarity by the Polish Press.

A commentary in Novoye Vremya (New Times) described the Polish magazine Polityka as being allergic to real Socialism. Polityka was founded and edited for a long time by Mr Mieczyslaw Rakowski, now a Deputy Prime Minister in the Jaruzelksi government. Mr Rakowski has supported the martial law crackdown on Solidarity, but clearly is still regarded with some suspicion in Soviet circles as a liberal.

The Soviet commentary by Mr Andrei Ryzhov said that Polityka "considers it normal to propagate views foreign to proletarian, communist ideology."

"The rehabilitation of Solidarity is dictated by the attempt to revise and discredit the Polish Comunist Party line in its fight against anti-socialist opposition," the New Times comentator said, evidently reflecting current Soviet concern that criticism of past Polish party policies may be a disguise for expressing sympathy with Solidarity.

S. African plan attacked

BY BERNARD SIMON IN JOHANNESBURG

SOUTH AFRICAN opposition parties and black leaders have strongly criticised several aspects of draft legislation for a new constitution published by the Government on Thursday.

The draft Bill proposes that a tricameral Parliament be created by adding to the present whites-only House of Assembly, a "House of Representatives" for Coloureds, and a "House of Deputies" for Asians.

However, the coloured Labour Party whose support is crucial to the implementation of the system, reiterated that it will participate in the new structures despite its objections.

Besides the total exclusion of blacks from the central decision-making process, the main criticism is the sweeping powers given to the new executive president, who will have wide legislative as well as executive powers.

Mr P. W. Botha, the Prime Minister, is expected to be the first president when the constitution is implemented.

There is still a market for strong drink under strict Islam

Pakistan's only master brewer

BY ALAIN CASS RECENTLY IN RAWALPINDI

THE ONLY master brewer in the Islamic state of Pakistan is a little like a missionary in a red light district. He is constantly surrounded by temptation, but it is all in a good cause.

A little sadly the craftsmen reaches down into a huge, wooden box and runs his fingers through fermenting malt. "It's excellent beer" he says, "no doubt about that. Beer is the richest source of Vitamin B complex you know. It's as good as bread. Mind you, I never touch the stuff myself." Beer, he meant, not bread.

The brewer—he would like, for understandable reasons, to remain anonymous—is a relic of the past, as well as a concession to the present.

His craft became obsolete in 1977 when Mr Zulfikar Ali Bhutoo, the late Prime Minister, ordered prohibition. The Murree Brewery in Rawalpindi, which was then an exporting concern producing 800,000 gallons of beer a year, as well as whisky, gin, vodka and rum, became subject to the strictures of Islam and had to slash its production.

"We can no longer export our product," says the brewer "and we're now down to 20 per cent of past production." Under the military regime of President Zia ul-Haq, a devont, not to say zealous, Moslem, the penalty for drinking alcohol is 40 lashes.

However the brewery—which stands just across the road from where Gen Zia lives and works—has been allowed to continue limited production, under heavy military supervision—it is ringed by barbed wire and a security system which would do justice to Fort Knox—for the benefit of foreigners in Pakistan as well as the country's diplomatic community.

In addition to beer the brewery produces 112,000 gallons of hard liquor. This includes vodka with a Russian label, a passable imitation of Gordon's gin, rum, brandy and three varieties of whisky. The vodka, the brewery assures visitors, does not find its way to the 100,000 Russian troops in neighbouring Afghanistan.

The Murree Brewery was built in 1861 for the benefit of British colonials who exchanged their local pub for the mysteries and adventures of India. It stayed in British hands until partition in 1947 when the family of Mr M. P. Bhandara, the present owner, who are Parsees, not Moslims, took it over. One small irony is that Mr Bhandara is an adviser to President Zia, as well as a member of Pakistan's appointed Federal Council.

The brewery has been allowed to continue limited production for the benefit of foreigners living in Pakistan

There were two other breweries in what was to become Pakistan. One, destroyed in an earthquake in 1935, was in the remote province of Baluchistan, where British squaddies really could work up a thirst. The other, at the town of Murree in the Himalayan foothills, was set alight by a Moslim crowd in 1947.

The company has three other units besides the brewery. These include a glass bottle-making plant, a soft drinks unit and a beverage and food plant.

Despite, as one frustrated European put it, being as appropriate as "a bookie in the Vatican," the company has managed to push up its profits from Rs 1.4m (£73,600) in 1979 to around Rs 4m in 1982. Demand for beer is rising and so is consumption of liquor, despite the tortuous procedures which foreigners have to go through to buy drink, including getting permits and signing awesome forms.

The retail price of a large bottle of beer from Murree brewery is Rs 25 (£1.30). A bottle of vodka is sold at Rs 125 and the least expensive whisky at the same price Most hotels, however, tend to make a thumping profit by charging up to twice as much, and often more to businessmen who, in other countries would make straight for the bar after an arduous round of appointments.

No alcohol may be consumed in public but foreigners are allowed to drink in the privacy of their hotel rooms or homes, a concession to the infidel not to be found in many Islamic states.

The brewery even has expansion plans. It has ordered a further 100 oak casks, to add to the existing 566, to keep up with the demand for malt whisky. It is also negotiating with Britain's Bass Charringtong group to produce a non-alcoholic beer which could be marketed in Pakistan and other Islamic states. All but 2 per cent of the staff who work in the brewery's cellars are Moslems.

Despite the massive locks on the doors of the warehouses and the presence of several unsmiling guards from the Excise Department, some pilfering does go on. "But it's very little," says the brewer. Several times a day, many of the workers can be seen kneeling beside the polished copper and brass stills to face Mecca and intone the Koran.

Russia rejects human rights amendments

By Tom Burns in Madrid

The head of the Soviet delegation yesterday brought the Madrid East-West security and co-operation conference to a deadlock by refusing to accept Western suggestions that aimed to strengthen human rights guarantees in the conference's concluding document.

The clash over human rights was made poignant by the presence at the conference of Mrs Avital Shcharansky whose husband, Mr Anatoly Shcharansky, a prominent dissident, is serving 13 years on charges of espionage and anti-Soviet propaganda.

Addressing the 35-nation meeting, which has been in session since November, 1980, Mr Anatoly Kovaliov, the chief Soviet delegate, endorsed a compromise draft for a concluding document that has been put before the conference on March 15. A number of amendments have been suggested by Western delegations, who believed it to be lukewarm on human rights.

Mr Kovaliov said: "We have been meeting here for a long time and the possibility of further negotiations is exhausted for all practical reasons. If anyone wants to change this draft it would lead to the rubbing out of everything positive that has been achieved at this meeting."

SAVINGS OFFERS

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Future of Alfred Herbert still unclear

By Ian Rodger

THE FUTURE of Alfred Herbert, the leading machine tool business which went into receivership a month ago with debts of £17m, remains uncertain.

Mr Mark Homan, one of the Price Waterhouse receivers, said yesterday that he expected no solution for at least a week or two.

"We are talking to a number of people, but this is a complicated business and they need time to put together their offers."

He said several British companies were examining the business and there was also "overseas interest." Not all the interested parties were machine tool manufacturers.

Asked if he was optimistic that the business would be sold as a going concern, he said: "Im hopeful." There was "fairly strong interest" in the group's products and name, but, if the business were broken up, "that would leave me with more assets than I could easily dispose of."

Alfred Herbert has a large factory at Edgwick, Coventry. Mr Homan said a redundancy programme, announced just before the company went into receivership, had been completed. It has reduced the staff from 738 to 430.

Representatives of the remaining Alfred Herbert employees met yesterday Mr John Butcher, the Industry Minister responsible for the West Midlands.

Mr Dave Parsons, a design engineer at the company and chairman of the joint unions branches there, said Mr Butcher was sympathetic but offered "nothing concrete" "He said it would be disgraceful if the company or its products were sold abroad."

Mr Parsons has also approached the West Midlands Enterprise Board for aid. He said it had agreed to do a feasibility study.

Alfred Herbert is the UK market leader in the computer-controlled (CNC) lathe field, with an estimated 20 per cent share.

The CNC lathe business used to be part of the old Alfred Herbert group put into liquidation by the National Enterprise Board in 1980. It was purchased by two entrepreneurs in the machine tool refurbishing business.

They resorted it to profitability within a year, but then ran into difficulties when demand for machine tools in the UK and the U.S. dropped. Its annual turnover is about £20m.

Ford's Sierra stays top of the best-selling cars

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

THE SIERRA was Britain's best-selling car last month following a rush of registrations in the last few days by Ford dealers anxious to qualify for bonuses of £350 a car.

It was the second month in succession that the Sierra took top place, making it the year's best-selling car so far.

Its market share 11.59 per cent in March, 12.15 per cent last month. In the January-to-April period it secured 10.13 per cent.

To achieve this Ford has had to run a series of incentive schemes since mid-January, unusual for a car so recently introduced.

Various bonuses and additional discount to dealers have enabled one West London outlet to advertise "Sierras at cost plus 1 per cent" for weeks.

Such a promotion does not help Ford's attempts to be considered more of a high-technology company rather than one offering simple value for money.

BL and General Motors (Vauxhall-Opel) like Ford have further dealer incentives running this month and Datsun UK's first major promotional campaign across its model range paid off last month.

Datsun prices had risen steeply in the past year but the company introduced "on the road" prices over Easter with the result that both the Sunny and the Cherry were in the April top ten.

The pace at which new car sales have been improving slowed a litle in April. At 141,443, they were 2.6 per cent higher than in April 1982.

However, the four-month total continued to point to a record year. Registrations for the January-April period at 642,118 were 16.6 per cent up on the 550,796 for the corresponding months of 1982. The previous highest four-month sales were 637,888 in 1979 when registrations went on to a record 1.716m for the full year.

Ford increased unit sales by 13 per cent in the first four months. However, the Halewood dispute cost 18,000 Escorts, some of which would have been sold in April, a shortage that will continue this month.

Austin Rover, BL's subsidiary, improved unit sales by 26 per cent in the first four months compared with the same period last year.

GM's Vauxhall-Opel franchise lifted unit volume by 33 per cent.

Best sellers in April: 1 Ford Sierra (17,189 sold); 2 Vauxhall Cavalier (10,066); 3 Ford Escort (9,882); 4 Austin Metro (9,421); 5 Austin/MG Maestro (7,069); 6 Ford Fiesta (5.707); 7 Datsun Sunny (4.727); 8 Vauxhall Astra (4.550); 9 Datsun Cherry (3.209); 10 Volvo 300 series (2.896).

UK CAR REGISTRATIONS

	April				January-April			
	1983	%	1982	%	1983	%	1982	%
Total UK produced	58,800	41.57	55,949	40.58	277,866	43.27	231,382	42.01
Total imports†	82,643	58.43	81,935	59.42	364,252	56.73	319,414	57.99
Total market	141,443	100.00	137,884	100.00	642,118	100.00	550,796	100.00
Ford*	37,570	26.56	34,652	25.13	197,208	30.71	174,216	31.63
BL	26,514	18.75	24,710	17.92	117,239	18.26	93,468	16.97
General Motors* (Vauxhall-Opel)	18,796	13.29	21,061	15.27	86,997	13.55	65,610	11.91
Peugeot-Talbot*	5,488	3.88	5,901	4.28	30,067	4.68	26,700	4.85
Datsun	11,061	7.28	8,146	5.91	30,723	4.78	30,348	5.51
Volkswagen-Audi	7,851	5.55	7,754	5.62	38,909	6.06	31,707	5.76
Renault	6,233	4.41	6,872	4.98	24,913	3.88	25,312	4.60
Volvo	4,767	3.37	4,059	2.94	23,746	3.70	18,902	3.43
Fiat-Lancia	4,371	3.09	6,395	4.64	17,127	2.67	19,361	3.52

* Includes cars assembled on the Continent not in the UK total.
† Imports from all sources including cars from Continental plants of UK-based companies.

Source: Society of Motor Manufacturers and Traders

Health services to be reviewed

BY GARETH GRIFFITHS

THE Department of Health and Social Security wants management consultancies to bid for a review of family practitioner services. These cover general practitioners, dentists, pharmacists and optical services.

Mr Kenneth Clarke, the Health Minister, said that tenders would be invited soon from selected companies.

The running costs of the services this year will be more than £50m. Mr Clarke said that they had not been thoroughly examined for years.

"I think it is now essential to look at the system as a whole to make sure the best use is being made of new technology and best administrative practice."

The aim of the study would be to recommend a pattern of administration to meet the needs of the public and the medical services efficiently and economically.

Ministers are keen to look at ways in which Health Service management can be improved. An inquiry led by Mr Roy Griffiths, J. Sainsbury's managing director, is due to report by the end of next month. Its aims are to examine the use of resources and identify what further management issues need pursuing to achieve those aims.

● A private medical cover service involving general practitioners offering home visits was launched in London yesterday by Medicover, a private company. The annual subscription is £30 for an adult and £15 for children up to 12 years old.

Twenty part time and three full-time doctors visit patients at home, issue private prescriptions and arrange hospital admission or refer patients to specialists.

Governments 'may clash' over Laker court battle

By Raymond Hughes, Law Courts Correspondent

A CLASH between the British and U.S. Governments, arising out of the collapse of Laker Airways, was forecast in the High Court yesterday.

Mr Peter Scott, QC, said there was a serious possibility that talks between the two countries would fail to resolve their dispute about whether U.S. anti-trust legislation could be used against two UK airlines alleged to have conspired to drive Laker out of business.

If that were to happen, the UK would consider invoking arbitration procedures in the Anglo-U.S. Bermuda Two civil air agreement.

The U.S., Mr Scott told Mr Justice Parker in the Commercial Court, had rejected the UK Government's suggestion that, in order not to aggravate the dispute, a U.S. grand jury investigation into the Laker affair should be suspended.

The UK contends that the fixing of air fares, which is at the centre of the Laker litigation on both sides of the Atlantic, was governed by Bermuda Two and that the U.S. was in breach of the treaty by invoking its anti-trust law. The U.S. denies any such breach.

Mr Scott, briefed on behalf of the Attorney General, was giving the court the UK Government's views on the public policy issues involved in the Laker litigation, which has already caused friction between the Governments and courts of the two countries.

Mr Justice Parker is to give judgment in two weeks' time on a plea by British Airways and British Caledonian for orders stopping the Laker liquidator interfering with English court proceedings begun by the two UK airlines.

In those actions, the airlines contend that any legal moves against them arising out of the Laker collapse should be in the English courts and nowhere else.

BA and British Caledonian are among the defendants to a $1.7bn (£1.08bn) damages claim, alleging a conspiracy to destroy Laker in breach of U.S. anti-trust law, started in the U.S. by the liquidator, Mr Christopher Morris, of Touche Ross.

Earlier this week a U.S. judge refused to transfer the case to England saying that, in seeking a transfer, the defendant airlines were trying to take advantage of the UK's "more lenient laws."

Mr Scott intimated that the Government's view was that the Commercial Court should not do anything drastic until the inter-governmental dispute had been resolved.

Scargill signals shift in NUM strike policy

BY NICK GARNETT, NORTHERN CORRESPONDENT

MR ARTHUR SCARGILL, president of the National Union of Mineworkers, yesterday indicated that the union could move away from its policy of calling for national strikes over pit closures to one of crippling a selected number of the most economic pits.

Mr Scargill, speaking to delegates from the NUM's north-western area, said that if the National Coal Board wanted to close 30 of the most uneconomic pits the union should ask those in the 30 most profitable pits to strike.

Their pay would be subsidised by a levy on the rest of the unions' membership who were still working." We can keep a war of attrition going for a year or two years and inflict maximum damage on the Coal Board and the Government," Mr Scargill said.

This change in tactics would be a form of retreat from the previous approach to pit closures, which has caused the union's executive considerable embarrassment. Twice in the last year the membership has voted again national strikes over this issue.

Mr Scargill made it clear that "the most profitable pits" he had in mind were Selby in North Yorkshire and those in Nottinghamshire and other parts of the Midlands. At the new Selby field, just 4,500 miners will eventually produce a twelfth of the Coal Board's current total output.

The idea of using the least vulnerable in the union to assist the most vunerable will probably be included as a proposition in Mr Scargill's presidential address to the NUM's annual conference in July.

Mr Scargill referred in his speech to the "rapid butchery" of the mining industry and warned the Government and the Coal Board that although the miners had not been prepared to take up the cudgel last October or in February, "it would be a mistake of the first order to believe our industry will sit idly by and see the mass murder currently being projected in the mining industry."

Leyland stoppage looms

BY OUR LABOUR CORRESPONDENT

ABOUT 1,300 Leyland truck workers at the Albion plant in Glasgow yesterday voted at a mass meeting to strike from Monday in protest at the threat of compulsory redundancies.

The plant makes axles for almost all Leyland trucks and the company said last night that if the strike was prolonged it could threaten jobs at other truck plants.

The company wants 146 redundancies at Albion, 110 of them among the hourly-paid workers. It has said that if enough volunteers do not come forward the redundancies will have to be compulsory.

An overtime ban is already in operation because of the threatened redundancies. Mr Jim McLean, union convenor, said: "We have lost over 1,000 jobs in the past three years through voluntary redundancy, but they just keep coming back for more."

The company said half the volunteers required had already come forward and there were another six weeks to go before the redundancy deadline. It accused the unions of striking over an issue that had not yet arisen.

● The threat to sack 800 hourly-paid workers at the Aveling-Barford engineering works in Grantham, a BL subsidiary, was withdrawn yesterday when a mass meeting of the 1,100 shop floor workers agreed to accept a management productivity and wages package.

On Thursday the workers had rejected the package, claiming it set unrealistic targets.

Campaign for school meals

BY DAVID GOODHART, LABOUR STAFF

THE NUMBER of children taking school meals has dropped from more than two-thirds to under a half because of price rises over the last three years and more than 50,000 part-time jobs have been lost in the school meals service in the same period according to the National Union of Public Employees.

The union yesterday launched a campaign against the decline in the school meals service which it says could cause permanent physical damage to a large number of children.

Since the 1980 Education Act, local education authorities have been legally obliged to provide school meals only to children from households dependent on family income supplement.

The union said several local authorities had phased out primary school meals but only the London Borough of Merton was proposing to end both primary and secondary meals. One-day strike in Merton have not forced the council to change its mind.

People's march takes the bus to Wales

By John Lloyd

THE London and South East regions' contingent of the People's March for Jobs was bussed out of London yesterday to Deeside in North Wales, from where it will march back to London for the culmination of the march on June 5.

Some 25 marchers assembled at the TUC's Bloomsbury headquarters, all in good spirits, but all without jobs.

Aged from 16 to 63, men and women of differing social backgrounds, they were selected both to demonstrate the breadth of unemployment and its depth in the country's least stricken area.

The main body of the march, which left Glasgow last month, is now in Humberside.

Mr Jack Dromey, a national officer of the Transport and General Workers' Union, who is organising the South-East contingent, said the marchers did not want tea and sympathy but wished to demonstrate in favour of a government with the political will to solve the massive problem they represented.

Civil Service protest

CIVIL SERVICE unions yesterday launched a campaign to resist plans to restructure the Property Services Agency as two separate civil and military property servicing bodies.

The unions, who are writing to ministers and permanent secretaries about their objections, claim the scheme will cost £40m and the loss of at least 300 jobs with no improvement in service.

Sit-in attacked

MR PATRICK JENKIN, Industry Secretary, yesterday said shipyard workers contemplating mass sit-ins in an attempt to save their jobs must be "out of their minds."

Speaking before a meeting with leaders of the Save Our Shipyards campaign, he said he understood the anxiety of those facing the dole queue, but industrial action made it impossible for shipbuilders to attract orders.

Farm pay rise bid

NEGOTIATORS for the 90,000 unionised agricultural workers in Britain will put in a claim for parity with the average industial wage when they meet employers this month, our Labour Staff reports. The annual conference of the Agricultural Workers' National Trade Group of the Transport and General Workers' Union yesterday backed a motion for parity—estimated to be £134 a week.

Prior seeks to quell Irish anger

By Our Belfast Correspondent

MR JAMES PRIOR, the Northern Ireland Secretary, said yesterday that remarks by Mr Michael Heseltine, Defence Secretary, about Ireland's neutrality would not have a lasting effect on Anglo-Irish relations.

He said Mr Heseltine's criticism of Ireland's stance—which was the subject of a formal complaint to Britain by the Irish Government — had caused a stir in the Dail (Irish parliament).

Mr Heseltine's comments on the neutrality issue were made to reporters during his visit to Ulster on Wednesday.

Mr Prior had talks on Thursday in Dublin with Dr Garret FitzGerald, the Irish Premier, and members of his Government, which he said were constructive and fruitful.

"Anglo-Irish relationships are showing signs of considerable improvement," Mr Prior said. "Although we have problems from time to time, these remarks (Mr Heseltine's) are not going to stand in the way of any improvement."

The Northern Ireland Secretary confirmed that the comments on neutrality had arisen at his meeting with Dr FitzGerald, but thought it unlikely that there would be an apology from the British Government.

It appears the Irish Goverment does not plan any further action over Mr Heseltine's remarks.

However, the affair provoked further political argument in Dublin yesterday. Mr Charles Haughey, Opposition leader, said it was ludicrous for the Goverment to wine and dine one Secretary of State — Mr Prior — while it was protesting about the behaviour of another.

The row certainly overshadowed Mr Prior's visit to Dublin, which was intended to show that Anglo-Irish relations were improving.

Mr Prior himself attempted to smooth things over yesterday, saying that Irish neutrality had never been in question. He said Mr Heseltine was addressing himself to the people in Britain who advocated neutrality and asking who would defend that neutrality.

Local radio station fails in cash bid

By Raymond Snoddy

NORTHDOWN RADIO, Kent's first commercial local radio station, has failed to raise the cash it needed to get on the air.

The station was due to begin broadcasting in October. It attracted investment of £250,000 but attempts to raise another £100,000 by yesterday's 4 pm deadline were unsuccessful. It will now have to start again and issue a new prospectus.

Mrs June Ayling, chairman of Northdown, said yesterday she was confident that the money would eventually be raised.

She blamed the situation at TV-am for frightening some potential investors.

Bright windows outlook

BY LISA WOOD

BRITAIN'S double glazing market, valued at £658m in 1982, is expected to increase by some 15 per cent this year, according to a survey conducted by one of the major companies in the installation and manufacture of double glazing.

The survey, carried out by Audits of Great Britain on behalf of Bowater Zenith Windows, reported that sales of double glazing had increased by 500 per cent in the last 10 years.

Those questioned in the survey said double glazing increased the value of their houses, though this was not why most had installed it. Almost half who installed double glazing last year did so because they needed new windows, some 30 per cent to reduce heat loss, 12 per cent draught reduction, 11 per cent condensation reduction and 7 per cent noise reduction.

The majority of homes with double glazing are in London and the southern counties. The West and South Western regions of England accounted for a small proportion of total annual sales. East Anglia has an exceptionally high level of double glazing.

Mr Cameron Robertson, marketing director of Zenith, said: "If every home was double-glazed Britain could save £1.2bn a year in energy costs."

Double Glazing in Great Britain. £25 from Chilmark Public Relations, 52 Bedford Row, London, WC1R.

Facelift for BA airliners

Financial Times Reporter

BRITISH AIRWAYS is spending £850,000 on refurbishing its fleet of 18 BAC One-Eleven airliners, using money saved elsewhere in the European division of the airline.

Dim lighting, open hat-racks and old-style seats on the 10-year-old aircraft are being replaced by large enclosed overhead lockers, white ceiling panels, strip lights, red seats, blue carpets and matching side panels.

Mr Peter Hermon, the European division's managing director, said yesterday the One-Eleven fleet was expected to remain a most important part of British Airways' shorthaul fleet for some years to come."

Last week the airline announced plans to replace its Trident airliner fleet before the end of 1985, when new noise regulations come into force. Negotiations will start soon with Boeing, McDonnell Douglas and Airbus Industrie about possible replacement airliners, including the McDonnell Douglas DC-9 and the Boeing 737.

Unemployment rate 13.3% in April

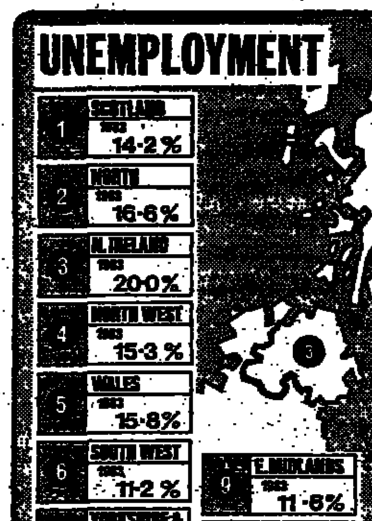
THE UK's unemployment total in April was 3,169,879 — or 13.3 per cent of the workforce.

This unadjusted total included 134,000 school-leavers — 48,000 more unemployed school-leavers than in April, 1982, and the highest number on record at this time of year.

National unemployment, as a proportion of the total workforce is still among the highest in the world, although unemployment in some other countries has been increasing rapidly.

In December, the average unemployment rate in the countries of the Organisation for Economic Co-operation and Development (OECD) was 8.9 per cent of the work-force, compared with 12.9 per cent in the UK for that month and 13.9 per cent for March.

The most recent comparisons on OECD calculations show the UK's unemployment rate to be the third highest in the main countries after Spain (16.6 per cent) and Belgium (14.3).



Small charities Bill gets third reading

BY KEVIN BROWN

A BILL which would allow small charities to realise capital endowments of up to £1,000 was given an unopposed third reading in the Commons yesterday.

The Private Member's Bill introduced by Sir Angus Maude, Conservative MP for Stratford-upon-Avon and former Paymaster-General, has government support and now goes to the Lords.

It allows trustees to spend capital rather than depend on the income as long as the endowment is more than 40 years old.

Mr David Mellor, a junior Home Office minister, said the Bill was a modest but helpful rationalisation of the law on small charities, some of which had an income of only £1 a year because of the effect of inflation on endowments.

Sir Angus said the Bill would "make life very much easier for a number of worried and frustrated trustees of small charities."

Putting the fizz into cartons

By Maurice Samuelson

TETRA PAK, the leading supplier of paper drink cartons outside the U.S., is spending more than £25m on developing a new system for packing carbonated beverages.

Mr Bertil Hagman, the new chairman of Tetra Pak's UK operation, said he hoped the company would be able to present its new carbonated drinks pack within three years.

Mr Hagman said the company hoped to show its new product at the next British Pakex packaging exhibition, due to be held in 1986.

Last year some 34bn cartons bearing Tetra Pak patents were supplied to more than 80 countries. Global sales were worth $1,320m (£846m).

Tetra Pak has already made one abortive foray into the carbonated drinks sector with a composite plastics and paper bottle called the Rigello.

Robin Reeves looks at Lion Laboratories, whose success flows from machines that detect alcohol

The Welsh wizards who track down the demon drink

A KEY feature of the new drinking and driving laws, which came into force yesterday, is the introduction of a new, faster way to measure the concentration of alcohol in the body by breath analysis using an electronic testing machine in place of blood and urine samples.

This particular move into the electronic age is the outcome of pioneering work by a Welsh company, Lion Laboratories, which has been able to demonstrate, to the satisfaction of the Home Office, that a more sophisticated approach to alcohol measurement is not only possible, but more accurate.

Yet, far from being a company which has carved out a cosy niche for itself on the basis of a guaranteed home market, Lion's success has been built on its sales in overseas markets. It has won proper domestic recognition only recently.

Lion Laboratories has its origins in a spare-time collaboration in the mid-1960s between the late Mr W. L. Ducie —an engineer wih the Welsh Hospitals Board, who recognised there would soon be a market for alcohol detection devices—and Dr Tom Jones, then a chemistry lecturer at the University of Wales Insitute of Science and technology, now the company's chairman and managing director.

The two men devised what became known as the Alcolyser —the breathalyser tube with chromium compound crystals which react to alcohol—but they were unable to find a manufacturing company willing to take it on board.

So they decided to go into production themselves with three staff and a small amount of capital put up by some friends. As it turned out, their device was too late to be approved for use by UK police forces, who were issued instead with a breathalyser produced by a Germany company Draeger of Lübeck.

Undeterred, Dr Jones joined a trade mission to the U.S. where he met a representative of Intoximeter Inc. of St Louis, which supplied equipment to U.S. police forces. The upshot was a reciprocal agreement which enabled Lion Laboratories to get off the ground on the basis of orders from the U.S. Sales to Scandinavia and France soon followed and, by 1979, the company had produced and exported 15m Alcolyser tubes.

It was in 1973 that Lion Laboratories began to work on a more sophisticated measuring instrument. The company maintains a policy of pumping up to 12 per cent of its turnover into research and development each year, and one of Dr Jones's research students had come across a reference to a fuel cell, developed at Innsbruck University in Austria, for gas chromatographic analysis of alcohols and aldehydes.

This fuel cell, radically redesigned and miniaturised, is one technology at the heart of Lion's new generation of electrochemical breath-measuring instruments. It converts the alcohol in breath into an electric voltage, which is amplified to produce a reading which can be displayed in a variety of ways.

The other technology — developed by Intoximeter Incorporated, but manufactured at Lion's headquarters at Barry, South Wales—is based on the infra-red absorption properties of alcohol. These instruments are not only much more accurate than the crystal bags but can be used many times over. In the case of the larger, police-station, model, they incorporate a computer to process, print out, and, if necessary, memorise the results.

Again, Lion was forced initially to rely on export markets to get into manufacture. By the time Home Office approval was granted in 1979 to the Lion Alcolmeter (the road-side screening instrument), it was already being used by law-enforcement agencies and hospitals in more than 25 foreign countries — including the U.S., Sweden, the Soviet Union, Switzerland and Spain. But Dr Jones reckons that Lion now has up to 90 per cent of this market in the UK, having supplied more than 5,000 such instruments to UK police forces during the past four years.

Two companies have won Home Office approval for the police station test instrument, which became legal yesterday. One is Lion's infra-red gas analyser, the other is produced by Camic Instruments of North Shields.

Having worked flat-out to meet the demands of the new legislation, Lion is now looking to expand its export sales and has 90 employees. Portugal, for example, is equipping itself with the complete Lion product range and moves are afoot in France to amend legislation in the same direction as that in Britain.

Dr Jones is also dusting off long-standing company plans to diversify into monitoring industrial alcohol. Legislation about drinking and driving has been by no means the company's only source of growth. Casualty departments of hospitals are also important customers. Using the fuel cell principle, Lion has also developed instruments for detecting minute quantities of formaldehyde and ethylene oxide, which can present health and safety hazards in certain circumstances.

But no instrument exists at present for continuous on-line monitoring of alcohol in its many guises during the fermentation process. It has to be done by testing extracted samples at regular intervals.

Lion has already built prototype models for the brewing industry and for industrial alcohol manufacture. During the next six months, it plans to make a series of production models and send them out to breweries and other potential customers for evaluation.

How they voted on Thursday

Metropolitan districts

Greater Manchester

BOLTON (Lab): Lab 13, C 7.
Lab gained 1 from Lib, C gained 1 from Lab.
New council' Lab 36, C 22, Lib 2.
NO CHANGE

BURY (C): C 10, Lab 6.
Lab gained 1 from C.
New council: C 27, Lab 21.
NO CHANGE

MANCHESTER (Lab): Lab 27, C 4, Lib 2.
Lab gained 3 from C, Lib gained 1 from C.
New council: Lab 72, C 22, Lib 5.
NO CHANGE

OLDHAM (Lab): Lab 14, C 5, Lib 1.
Lab gained 1 from C.
New council: Lab 40, C 17, Lib 3.
NO CHANGE

ROCHDALE (None): Lab 8, C 7, Lib 5.
C gained 2 from Lab and 1 from Lib. Lib gained 1 from Lab and 1 from Ind.
New council: Lab 27, C 17, Lib 13, SDP 3.
NO CHANGE

SALFORD (Lab): Lab 16, C 2.
Lab gained 2 from C, and 1 from Lib.
New council: Lab 47, C 11, Lib 1, SDP 1.
NO CHANGE

STOCKPORT (C): C 8, Lab 6, Lib 7, Ind 1.
Lib gained 1 from Lab and 4 from C, C gained 1 from Lib and 1 from Lab.
New council: C 30, Lab 18, Lib 12, Ind 3.
C LOSE OVERALL CONTROL

TAMESIDE (Lab): Lab 16, C 3, Lib 1.
Lib gained 1 from Lab.
New council: Lab 44, C 10, Lib 3.
NO CHANGE

TRAFFORD (C): C 14, Lab 6, Lib 2
C gained 2 from Lab and 1 from Lib, Lab gained 1 from C
New council: C 36, Lab 21, Lib 6.
NO CHANGE

WIGAN (Lab): Lab 21, Lib 2, C 1.
Lib gained 1 from Lab.
New council: Lab 53, Lib 8, C 5.
NO CHANGE

Merseyside

KNOWSLEY (Lab): Lab 21, C 3.
New council: Lab 55, C 9, Lib 2.
NO CHANGE

LIVERPOOL (None): Lab 24, Lib 3, C 3.
Lab gained 9 from Lib, 1 from SDP and 1 from C. Lib gained 2 from C.
New council: Lab 51, Lib 30, C 18.
LABOUR GAIN CONTROL

ST HELENS (Lab): Lab 14, C 0.
Lab gained 1 from SDP.
New council: Lab 58, C 12, Lib 2, SDP 2
NO CHANGE

SEFTON (C): C 12, Lab 5, Lib 4.
Lib gained 2 from C, C gained 1 from SDP.
New council: C 39, Lab 21, Lib 7, SDP 1, Ind 1.
NO CHANGE

WIRRAL (C): C 11, Lab 8, Lib 3
Lib gained 1 from C and 1 from Lab
New council: C 34, Lab 24, Lib 8.
NO CHANGE

South Yorkshire

BARNSLEY (Lab): Lab 20, C 1, Ratepayer 1.
Lab gained 3 from SDP and 2 from Ratepayer. C gained 1 from Lib.
New council: Lab 58, C 3, Lib 2, Others 3
NO CHANGE

DONCASTER (Lab): Lab 17, C 4.
Lab gained 1 from C.
New council: Lab 51, C 11, Lib 1.
NO CHANGE

ROTHERHAM (Lab): Lab 20, C 1, SDP 1, casual vacancy Lab 1.
SDP gained 1 from Lab.
New council: Lab 60, C 4, SDP 2.
NO CHANGE

SHEFFIELD (Lab): Lab 21, C 6, Lib 3.
Lab gained 2 from Lib.
New council: Lab 61, C 16, Lib 7, others 1.
NO CHANGE

Tyne and Wear

GATESHEAD (Lab): Lab 21, C 3.
Lab gained 1 from C
New council: Lab 56, C 7, Lib 1, Rytonians 2
NO CHANGE

NEWCASTLE-ON-TYNE (Lab): Lab 18, C 7, L 2.
Lab gained 2 from C. Lib gained 1 from C.
New council: Lab 44, C 24, Lib 9, Ind 1.
NO CHANGE

NORTH TYNESIDE (Lab): Lab 12, C 7, Lib 1.
Lab gained 2 from SDP. C gained 1 from Lab.
New council: Lab 33, C 21, Lib 3, SDP 2, Ind Lab 1.
NO CHANGE

SOUTH TYNESIDE (Lab): Lab 16, C 1, Others 3.
Lab gained 1 from Others.
New council: Lab 46, C 3, Others 8, Lib 1, SDP 1.
NO CHANGE

SUNDERLAND (Lab): Lab 19, C 5, Lib 2.
Lab gained 1 from C and 1 from Ind.
New council: C 14, Lab 52, Lib 6, SDP 1, Ind 2.
NO CHANGE

West Midlands

BIRMINGHAM (C): C 19, Lab 20.
Lab gained 2 from Lib and 1 from C. C gained 1 from Lab.
New council: C 60, Lab 53, Lib 2.
NO CHANGE

COVENTRY (Lab): Lab 11, C 7.
C gained 2 from Lab.
New council: Lab 33, C 21.
NO CHANGE

DUDLEY (C): C 11, Lab 13, SDP 1.
C gained 1 from Lib and 1 from SDP, Lab gained 1 from SDP.
New council: C 42, Lab 23, SDP 1.
NO CHANGE

SANDWELL (Lab): Lab 18, C 4, Lib 2.
Lib gained 1 from C.
New council: Lab 34, C 13, Lib 5.
NO CHANGE

SOLIHULL (C): C 11, Lib 4, Ind 2.
C gained 1 from Ind.
New council: C 34, Lib 12, SDP 2, Ind 3.
NO CHANGE

WALSALL (none): C 7, Lab 10, Lib 1, Ind 2.
Lab gained 1 from C. C gained 2 from Lab and 1 from Ratepayers.
New council: C 17, Lab 25, Lib 7, SDP 2, Ind 5, Ratepayers 1.
NO CHANGE

WOLVERHAMPTON (Lab): Lab 12, C 8.
Lab gained 1 from C. C gained 1 from Lab.
New council: Lab 34, C 28.
NO CHANGE

West Yorkshire

BRADFORD (None): C 16, Lab 14.
C gained 1 from Lab.
New council: C 43, Lab 41, Lib 5, SDP 1.
NO CHANGE

CALDERDALE (None): C 8, Lab 8, Lib 5.
Lib gained 2 from C.
C 20, Lab 22, Lib 11, Others 1.
NO CHANGE

KIRKLEES (Lab): Lab 11, C 1, Lib 8.
C gained 2 from Lib, Lab gained 1 from C and 1 from SDP, Lib gained 2 from Lab.
New council: Lab 37, C 20, Lib 12, SDP 3.
NO CHANGE

LEEDS (Lab): Lab 19, C 11, Lib 3.
C gained 1 from Lib and 1 from Lab. Lib gained 1 from Lab.
New council: Lab 54, C 33, Lib 11, SDP 1.
NO CHANGE

WAKEFIELD (Lab): Lab 18, C 2, Lib 1.
Lab gained 1 from Lib and 1 from SDP.
New council: Lab 51, C 6, Lib 3, SDP 1, Ratepayers 1, Ind 1.
NO CHANGE

Non-metropolitan districts

ADUR (Lib): C 7, Lib 7.
C gained 2 from Lib and 1 from SDP, Lib gained 1 from C.
New council: Lib 19, C 17, Lab 1, Ind 2.
LIB LOSE CONTROL

ALLERDALE (None): Lab 27, Ind 18, C 10.
Lab gained 1 from Ind.
NO CHANGE

ALNWICK (None): Ind 10, C 8, Lib 8, Lab 1, others 2.
Ind gained 2 from Lib, C gained 2 from Ind and 1 from Lib. Lib gained 2 from Ind and 1 from Lab, Ind gained 1 from C.
NO CHANGE

AMBER VALLEY (Lab): Lab 5, C 5, Lib 1, SDP 1, Ind 3
Lab gained 1 from C, SDP gained 1 from C.
New council: Lab 24, C 7, Lib 6, Ind 5, SDP 1.
NO CHANGE

ARUN (C): C 52, Lib 3, Lab 1.
Boundary changes.
NO CHANGE

ASHFIELD (Lab): Lab 28, C 1, Lib 3, SDP 1.
Lab gained 2 from C and 2 from Ratepayers, Lib gained 3 from Ratepayers. SDP gained 1 from Ratepayers.
NO CHANGE

ASHFORD (C): C 26, SDP 8, Lab 8, Ind 6, others 3.
C gained 1 from others.
NO CHANGE

AYLESBURY VALE (C): C 34, Ind 14, SDP 4, Lab 4, Lib 1 (1 seat vacant).
SDP gained 2 from Ind, C gained 1 from Lab.
NO CHANGE

BABERGH (Ind): C 18, Ind 18, Lab 3, Lib 2, SDP 1.
C gained 1 from Lab, 2 from Ind, Lab gained 1 from C, SDP gained 1 from Lab.
IND LOST CONTROL

BARROW-IN-FURNESS (Lab): Lab 8, C 4, Lib 1, Ind 1.
C gained 1 from Lab.
New council: Lab 25, C 11, Lib 1, Ind 1.
NO CHANGE

BASILDON (Lab): Lab 8, C 6.
Lab gained 1 from C, C gained 1 from Residents.
New council: Lab 24, C 13, Lib 3, Residents 2
NO CHANGE

BASINGSTOKE AND DEANE (None): C 15, Lab 5, Ind 1.
C gained 1 from Lab, 1 from Lib, 1 from Ind. Lab gained 1 from C.
New council: C 28, Lab 22, Ind 6, Lib 2, SDP 1.
NO CHANGE

BASSETLAW (Lab): Lab 10, C 7, Ind 1.
C gained 1 from Lab.
New council' Lab 27, C 19, Ind 3, SDP 1.
NO CHANGE

BATH (C): C 12, Lab 5, Lib 1.
New council: C 33, Lab 11, Lib 2, SDP 2.
NO CHANGE

BERWICK-ON-TWEED (None): C 9, Ind 9, Lib 7, Lab 3.
Ind gained 1 from Lab, C gained 3 from Ind, 1 from Lib. Lib gained 1 from Ind, 1 from Lab, Lab gained 1 from Ind.
NO CHANGE

BEVERLEY (C): C 37, Lib 10, Lab 5, Ind 1.
Lib gained 3 from C, Lab gained 1 from C. C gained 2 from Ind.
NO CHANGE

BLABY (C): C 23, Lib 3, Ind 6, R 1.
Boundary changes.
NO CHANGE

BLACKBURN (None): Lab 11, C 9, Lib 1.
Lab gained 2 from Ratepayers and 1 from C.
New council: Lab 31, C 24, Ratepayers 3, Lib 2.
LAB GAINED CONTROL

BLACKPOOL (C): C 32, Lab 9, Lib 3.
C gained 3 from Lib and 1 from SDP, Lib gained 1 from C.
NO CHANGE

BLYTH VALLEY (Lab): Lab 33, C 3, SDP 4, Lib 7.
Lab gained 1 from SDP.
NO CHANGE

BOLSOVER (Lab): Lab 34, Ind 3.
Lab gained 2 from Ind.
NO CHANGE.

BOOTHFERRY (C): C 21, Lab 8, Ind 7, SDP 1.
C gained 1 from Lab and 1 from Ind, SDP gained 1 from Ind.
NO CHANGE

BOSTON (None): C 16, Lab 4, Lib 4, Ind 10.
C gained 1 from Ind and 1 from Lib. Lib gained 1 from Ind. Lab gained 1 from C.
NO CHANGE

BOURNEMOUTH (C): C 39, Lab 5, Lib 4, SDP 1, Ind 3, others 5.
C gained 1 from Lab, 1 from Lib, and 1 from Ind. SDP gained 1 from C. Lib gained 2 from C: others gained 4 from C.
NO CHANGE

BRACKNELL (C): C 40.
C gained 7 from Lab and 7 from SDP.
NO CHANGE

BRAINTREE (None): C 28, Lab 18, Ind 13, Lib 3.
C gained 3 from Lib, 2 from Lab, Lab gained 1 from C, Lib gained 1 from C. Ind gained 1 from C.
NO CHANGE

BRECKLAND (C): C 32, Lab 6, Lib 1, Ind 12.
C gained 3 from Ind, Lab gained 2 from C, Ind gained 1 from C.
NO CHANGE

BRENTWOOD (C): C 9, Lib 4.
C gained 1 from Lab, Lib gained 4 from C.
New council: C 28, Lab 3, Lib 8.
NO CHANGE

BRIDGNORTH (Ind): Ind 19, C 9, Lib 3, Lab 2.
C gained 3 from Ind, Lib gained 1 from C 1 from other.
NO CHANGE

BRIGHTON (C): C 24, Lab 20, Lib 3, SDP 1.
Boundary changes.
C LOSE OVERALL CONTROL

BRISTOL (Lab): C 32, Lab 30, Lib 8.
Boundary changes.
LAB LOSE OVERALL CONTROL

BROADLAND (C): C 10, Ind 5, Lib 1.
Lib gained 1 from C.
New council: C 37, Ind 8, Lib 3, Lab 1.
NO CHANGE

BROMSGROVE (C): C 29, Lab 8, Ratepayers 3, Lib 1.
C gained 1 from Lab, Ratepayers gained 2 from C, Lab gained 3 from C. Lib gained 1 from C.
NO CHANGE

BROXBOURNE (C): C 12, Lab 1, Lib 2.
C gained 1 from Lab, Lib gained 2 from C.
New council: C 33, Lab 6, Lib 3.
NO CHANGE

BROXTOWE (C): C 38, Lab 10, Ind 1.
C gained 3 from Lab, Lab gained 1 from C.
NO CHANGE

BURNLEY (Lab): Lab 12, C 5, SDP 1.
Lab gained 1 from C, C gained 2 from Lab, SDP gained 1 from C.
New council: Lab 35, C 16, SDP 1.
NO CHANGE

CAMBRIDGE (None): Lab 7, C 4, Lib 3.
Lib gained 1 from C. Lab gained 1 from SDP.
New council: C 12, Lab 21, Lib 7, SDP 2.
NO CHANGE

CANNOCK CHASE (None): Lab 6, Lib 6, C 2, Ind 1.
Lib gained 3 from C.
New council: Lab 19, Lib 15, SDP 1, C 6, Ind 1
NO CHANGE

CANTERBURY (C): C 37, Lab 7, Lib 3, Ind 2.
Lab gained 1 from C, 1 from Ind and 1 from SDP, C gained 2 from Ratepayers, 2 from Lab and 4 from Ind, Lib gained 1 from Lab and 2 from C.
NO CHANGE

CARADON (Ind): C 5, Lab 1, Lib 2, Ratepayers 2, Ind 31.
C gained 5 from Ind, Lib gained 2 from Ind, Ind gained 1 from Lab and 1 from Mebyon Kernow (Sons of Cornwall Movement).
NO CHANGE

CARLISLE (Lab): Lab 27, C 22, Lib 1, Ind 1
Boundary changes.
NO CHANGE

CARRICK (C): C 22, Ind 10, Lab 1, Lib 11, SDP 1
Lib gained 2 from C and 2 from Ind, SDP gained 1 from Lab.
C LOSE CONTROL

CASTLE MORPETH (None): C 7, Lab 2, Lib 4, SDP 6, Ind 13, others 2.
C gained 1 from Lib, Lib gained 3 from Lab, 1 from Ind, SDP gained 2 from Ind.
NO CHANGE

CASTLE POINT (C): C 38, Lab 1.
C gained 1 from Lib and 1 from Ind.
NO CHANGE

CHELMSFORD (C): Lib 28, SDP 3, C 26, Ind 3.
Lib gained 8 from C and 1 from Lab, SDP gained 2 from C and 1 from Lib, C gained 2 from Lib, Ind gained 1 from C.
ALLIANCE TAKES CONTROL

CHELTENHAM (None): C 18, Lib 12, Ind 4, Lab 1.
Boundary change.
NO CHANGE

CHERWELL (C): C 13, Lab 6, SDP 1.
C gained 2 from Ind.
New council: C 32, Lab 16, SDP 2, Ind 1, Lib 1.
NO CHANGE

CHESTER (C): C 10, Lab 5, Lib 4, Ind 1.
C gained 1 from Ind, Lib gained 1 from C.
New council: C 37, Lab 14, Lib 8, Ind 1.
NO CHANGE

CHESTERFIELD (Lab): Lab 33, C 9.
Lab gained 1 from Ind, C gained 1 from Lib.
NO CHANGE

CHESTER-LE-STREET (Lab): Lab 23, Ind 5, Lib 4, C 1
Lab gained 3 from Lib, Ind gained 1 from Lib. C gained 1 from Ind.
NO CHANGE

CHICHESTER (C): C 27, Lib 13, Ind 8, Ratepayers 2.
C gained 1 from Lib, 2 from Ind, Lib gained 1 from C, 1 from Ratepayers, Ind gained 1 from C.
NO CHANGE

CHORLEY (None): Lab 8, C 7, SDP 1.
Lab gained 2 from C, C gained 1 from Ind. SDP gained 1 from Lab.
New council: Lab 22, C 22, SDP 1, Ind 2.
NO CHANGE

CHRISTCHURCH (C): C 15, Ind 7, Lab 3.
C gained 1 from Ind.
NO CHANGE

CLEETHORPES (None): C 14, Lab 8, Lib 8, Ind 11
C gained 2 from Lab, Lib gained 2 from Lab and 1 from C, Ind gained 2 from Lab
NO CHANGE

COLCHESTER (C): C 13, Lab 3, Lib 2, SDP 1, Others 1.
C gained 1 from Lab, SDP gained 1 from Lab
New council: C 36, Lab 14, Lib 3, SDP 3, Ind 1, Others 3.
NO CHANGE

CONGLETON (None): C 9, Lib 5, Lab 1
Lib gained 2 from Lab and 1 from Ind. C gained 1 from Lab.
New council: C 23, Lib 15, Lab 6, Ind 1.
C GAIN CONTROL

COPELAND N (Lab): C 17, Lab 23, Lib 1, others 4.
C gained 2 from Lab, Lab gained 1 from Ind.
NO CHANGE

CORBY (Lab): Lab 21, C 3 (3 vacant).
Lab gained 1 from Ind.
NO CHANGE

COTSWOLD (None): Others 22, C 10, Ind 7, Lib 4, Lab 1.
C gained 2 from Ind, 1 from Lib, 1 from Lab, 1 from others. Lab gained 1 from C. Ind gained 1 from Lib.
NO CHANGE

CRAVEN (C): C 8, Lib 3, Ind 1, Lab 1.
Lab gained 1 from C, C gained 1 from Ind. Lib gained 1 from C.
New council: C 13, Lab 2, Lib 8, SDP 1, Ind 4.
NO CHANGE

CRAWLEY (Lab): Lab 7, C 3.
Boundary changes.
New council. Lab 20, C 12.
NO CHANGE

CREWE AND NANTWICH (None): C 10, Lab 8, SDP 1, Lib 1
Lib gained 1 from Lab. C gained 1 from Ind.
New council: Lab 26, C 26, Lib 3, SDP 2.
NO CHANGE

DACORUM (C): C 36, Lab 17, Ind 2, SDP 2, Lib 1.
C gained 3 from Lab. Lab gained 1 from SDP. Lib gained 1 from Lab. SDP gained 1 from Lab.
NO CHANGE

DARLINGTON (Lab): Lab 27, C 20, Ind 3, Lib 1, SDP 1.
Lab gained 1 from Ind, 1 from SDP. C gained 4 from Lab, 1 from SDP, 1 from Ind. Lib gained 1 from Ind.
NO CHANGE

DARTFORD (C): C 25, Lab 16, Ratepayers 3
C gained 3 from Lab, Ratepayers gained 3 from Lab.
NO CHANGE

[illegible]
C gained 1 from Lab and 1 from Ind. Ind gained 1 from C.
New council: C 18, Lab 8, Ind 6, SDP 1, Lib 1, Others 1.
C GAINED CONTROL

DERBY (Lab): Lab 8, C 6, Lib 1.
C gained 1 from Lab, Lib gained 1 from Lab.
New council: Lab 25, C 18, Lib 1.
NO CHANGE

DERWENTSIDE (Lab): Lab 36, C 4, Lib 2, SDP 1, Ind 12.
Lab gained 2 from C and 1 from Ind.
NO CHANGE

DOVER (C): C 39, Lab 17.
C gained 3 from Lab, 2 from Ind.
NO CHANGE

DURHAM (None): Lab 27, Ind 10, Lib 5, SDP 4, C 2, Ind Lab 1.
Lab gained 2 from Ind, 1 from SDP.
LAB GAIN CONTROL

EASINGTON (Lab): Lab 34, Lib 7, SDP 2, Ind Lab 2, Ind 6.
Lab gained 2 from Lib 1 from SDP and 1 from Ind Lab, Lib gained 2 from Lab. Ind gained 1 from Lab.
NO CHANGE

EASTBOURNE (C): C 6, Lib 4.
C gained 1 from Lib, Lib gained 1 from C.
New council: C 18, Lib 11, Lab 1.
NO CHANGE

EAST CAMBRIDGESHIRE (None): Lab 1, C 3, Lib 1, Ind 3, Others 23.
Boundary Changes.
NO CHANGE

EAST DEVON (C): C 15, Ind 3, Lib 2, Lab 1.
Lab gained 1 from C.
C 46, Lab 1, Lib 7, SDP 1, Ind 5.
NO CHANGE

EAST HAMPSHIRE (C): C 30, Ind 7, Lib 5.
Lib gained 4 from C, C gained 3 from Lib, and 1 from Ind. Ind gained 1 from C.
NO CHANGE

EASTLEIGH (C): Lab 3, C 7, Lib 5.
Lib gained 1 from Lab, Lab gained 1 from C, Lib gained 1 from C.
New council, C 22, Lab 11, Lib 11.
C LOSE CONTROL

EAST LINDSEY (Ind): Ind 39, C 11, Lib 7, Lab 3.
Boundary changes.
NO CHANGE

EAST NORTHAMPTONSHIRE (C): C 30, Lab 6
Lab gained 1 from C, C gained 1 from Ind
NO CHANGE

EAST STAFFORDSHIRE (None): C 23, Lab 21, Lib 2.
Lab gained 4 from C and 1 from Ind, C gained 1 from Lab and 2 from Ind. Lib gained 1 from Lab and 1 from Ind.
NO CHANGE

EAST YORKSHIRE (C): C 29, Ind C 1, Lab 2, Lib 1, Ind 10.
Ind gained 1 from C.
NO CHANGE

EDEN (Ind): Ind 37.
NO CHANGE

ELLESMERE PORT AND NESTON (Lab): Lab 10, C 4
New council: Lab 23, C 13.
NO CHANGE

ELMBRIDGE (C): C 13, Residents 7, Lab 1, Lib 1.
C gained 1 from Residents, Lab gained 1 from C.
New council, C 34, Residents 17, Lab 5, Lib 4.
NO CHANGE

EPPING FOREST (C): C 12, Lab 5, Residents 1, Ind 1.
Lab gained 1 from C. Residents gained 1 from C.
New council: C 39, Lab 13, Ind 3, Residents 4.
NO CHANGE

EPSOM AND EWELL (Residents): Residents 33, Lab 3, Lib 2, SDP 1.
Residents gained 2 from Lib. Lib gained 1 from Residents, SDP gained 1 from Residents.
NO CHANGE

EREWASH (C): C 23, Lab 20, Ind 2, Ind Lab 1.
Lab gained 2 from C, 1 from Ind, 1 from Lib. C gained 1 from Lab.
NO CHANGE

EXETER (C): C 21, Lab 10, Lib 4, Ind 1.
Boundary changes.
NO CHANGE

FAREHAM (C): C 10, Lib 2, SDP 1, Residents 1.
C gained 1 from Lab and 1 from Residents. SDP gained 1 from Lab. Lib gained 1 from C. Residents gained 1 from C.
New council: C 27, Lab 3, Lib 4, SDP 4, Residents 4.
NO CHANGE

FENLAND (C): C 19, Lab 5, Lib 4, SDP 2, Ind 7.
Lib gained 2 from C, 1 from Lab, SDP gained 1 from Ind, 1 from C. Ind gained 1 from C. Lab gained 1 from C
C LOSE CONTROL

FOREST HEATH (C): C 11, Lab 2, SDP 1, Ind 17, Ratepayers 1.
Lab gained 2 from C. SDP gained 1 from C. C gained 1 from Lab, 1 from Ind, Ind gained 1 from C. Ratepayers gained 1 from C.
C LOSE OVERALL MARJORITY

FOREST OF DEAN (None): Lab 21, Ind 13, C 4, Lib 3, SDP 2.
Boundary changes.
NO CHANGE

FYLDE (C): C 25, Ratepayers 11, Ind 9, Lib 2, Lab 1
Ratepayers gained 1 from C and 2 from Lib.
NO CHANGE

GEDLING (C): C 40, Lab 8, Lib 4, SDP 1, Ind 2
Lib gained 3 from Lab, SDP gained 1 from Lab.
NO CHANGE

GILLINGHAM (C): C 8, Lab 2, Lib 4.
[illegible]
New council: C 24, Lab 8, Lib 10.
NO CHANGE

GLANFORD (C): C 22, Lib 1, SDP 1, Lab 2, Ind 15.
Lab gained 1 from SDP, Ind gained 1 from C.
NO CHANGE

GLOUCESTER (C): C 6, Lab 4, Lib 1.
Lab gained 2 from C and 1 from SDP.
New council: C 17, Lab 11, Lib 5.
NO CHANGE

GOSPORT (C): C 9, Lib 1.
C gained 2 from Lab, 1 from Ratepayers and 1 from Ind. Lib gained 1 from C.
New council: C 22, Lab 3, Lib 2, Ratepayers 7, Ind 1.
NO CHANGE

GAVESHAM (C): C 23, Lab 20, SDP 1.
C gained 1 from Lab and 1 from Ind, Lab gained 3 from C and 1 from SDP.
NO CHANGE

GREAT YARMOUTH (None): C 10, Lab 6.
C gained 2 from Lab, 1 from Lib.
New council: C 25, Lab 18, Lib 4 (one vacant).
C GAIN CONTROL

GREAT GRIMSBY (Lab): C 7, Lab 6, Lib 1, Ind 1.
C gained 2 from Lab. Lib gained 1 from C, Ind gained 1 from Lab.
New council: Lab 22, C 18, Lib 2, SDP 2, Ind 1.
LAB LOSE CONTROL

GUILDFORD (C): C 31, Lab 6, Lib 7, Ind 1.
Lib gained 4 from C. C gained 1 from Ind.
NO CHANGE

HALTON (Lab): Lab 12, C 3, Ind 1
Lab gained 1 from SDP.
New council: Lab 35, C 8, Lib 1, SDP 1, Ind 2.
NO CHANGE

HAMBLETON (Ind): Ind 29, C 13, Lab 3, SDP 1 (1 vacant).
C gained 2 from Ind. Lab gained 1 from Lib.
NO CHANGE

HARBOROUGH (C): C 23, Ind 10, Lab 2, Lib 2.
C gained 1 from Lib. Lab gained 1 from Lib, Ind gained 1 from Lib.
NO CHANGE

HARLOW (Lab): Lab 10, C 2, Lib 2.
Lab gained 1 from Lib, Lib gained 1 from Lab.
New council: Lab 34, C 3, Lib 4, Ind 1.
NO CHANGE

Mr Foot and Mrs Thatcher: what do the local election results mean for them?

HARROGATE (C): C 44, Lab 1, Ind 9, Lib 4, SDP 1, Whig 1.
Boundary changes.
NO CHANGE

HART (C): Lib 5, Ind 4, C 3, SDP 1.
Lib gained 1 from Ind and 2 from C, Ind gained 2 from C.
New council: C 14, Lib 10, Ind 10, SDP 1
C LOST CONTROL

HARTLEPOOL (Lab): Lab 14, C 4.
New council: Lab 34, C 11, Ind 2.
NO CHANGE

HASTINGS (None): C 5, Lib 3, Lab 3.
Lib gained 1 from C. Lab gained 2 from Lib
New council: C 12, Lib 9, Lab 9, Ind 2.
NO CHANGE

HAVANT (C): C 7, Lab 2, Lib 2, SDP 1, Ind 1, Ratepayers 1.
Lib gained 1 from C, Ratepayers gained 1 from C.
New council: C 25, Lab 9, Lib 3, SDP 1, Ind 2, Ratepayers 2.
NO CHANGE

HEREFORD (Lib): Lib 4, C 2, Lab 1, Ind 2.
Lib gained 1 from Lab, Lab gained 1 from Lib
New council: Lib 15, C 5, Lab 4, Ind 2
NO CHANGE

HERTSMERE (C): Lab 7, C 8, Lib 1.
C 21, Lab 12, Lib 5, SDP 1.
NO CHANGE

HIGH PEAK (C): C 19, Lab 14, Lib 3, Ind 7, Ratepayers 1.
C gained 1 from Lab, Lab gained 5 from C, Ind gained 3 from C.
C LOSE CONTROL

HINCKLEY AND BOSWORTH (C): C 28, Lab 3, Lib 3.
C gained 1 from SDP.
NO CHANGE

HOLDERNESS (Ind): Ind 25, C 3, vacancies 3.
Ind gained 1 from C.
NO CHANGE

HORSHAM (C): C 35, Lib 2, Ind 5.
Boundary changes.
NO CHANGE

HOVE (C): C 24, Lab 2, Lib 2, Ind 1.
Ind gained 1 from C. Lib gained 2 from C.
NO CHANGE

HUNTINGDON (C): C 14, Lab 2, Ind 2, SDP 1
C gained 3 from Ind and Lab gained 1 from C
New council: C 37, Lab 8, Lib 1, SDP 1, Ind 6.
NO CHANGE

HYNDBURN (Lab): Lab 5, C 10, SDP 1.
SDP gained 1 from Lab.
Lab 25, C 20, SDP 1, Lib 1.
NO CHANGE

IPSWICH (Lab): Lab 9, C 7.
C gained 1 from Lab
New council: Lab 31, C 17.
NO CHANGE

KENNET (Ind): Ind 24, C 10, Lib 4, SDP 2.
C gained 3 from Ind, Lib gained 1 from Ind, SDP gained 1 from C.
NO CHANGE

KERRIER (None): Ind 13, C 17, Lab 5, SDP 5, Mebyon Kernow 1.
Lab gain 1 from Ind and 2 from C.
SDP gain 1 from C.
NO CHANGE

KETTERING (C): C 23, Lab 12, Lib 2, SDP 1, Ind 7.
C gained 2 from Lib. SDP gained 1 from C, Lab gained 4 from Ind.
NO CHANGE

KINGSTON ON HULL (Lab): Lab 49, C 11.
Boundary changes.
NO CHANGE

KING'S LYNN AND WEST NORFOLK (C): C 42, Lab 15, Ind 2, SDP 1.
SDP gained 1 from C, C gained 1 from Lab. Lab gained 1 from C.
NO CHANGE

KINGSWOOD (None): C 25, Lab 18, Ind 2, Lib 2.
C gained 6 from Lab, 1 from Lib, Lab gained 2 from C, Ind gained 1 from C.
C GAIN CONTROL

LANCASTER (C): C 36, Lab 15, Lib 6, Ind 3.
Lab gained 4 from C and 1 from SDP, C gained 5 from Lab, Lib gained 1 from Ind.
NO CHANGE

LANGBAURGH (Lab): Lab 31, C 29.
C gained 3 from Lab, 3 from Ratepayers and 2 from Ind, Lab gained 1 from SDP and 1 from C.
NO CHANGE

LEICESTER (Lab): Lab 40 C 16.
Boundary changes.
NO CHANGE

LEOMINSTER (Ind): Lib gained 2 from C and 1 from Ind.
New council: Ind 24, Lib 6, C 3, SDP 2, Lab 1.
NO CHANGE

LEWES (C): C 39, Ind 5, Lib 4.
Boundary changes.
NO CHANGE

LICHFIELD (C): C 38, Lab 15, Ind 2, unofficial C 1.
C gained 3 from Lab, unofficial C gained 1 from C, Ind gained 1 from C.
NO CHANGE

LINCOLN (Lab): Lab 8, C 3.
Lab gained 3 from C.
New Council: Lab 23, C 10.
NO CHANGE

LUTON (C): C 25, Lab 17, Lib 6.
C gained 1 from Lab, Lab gained 2 from C. Lib gained 6 from C.
NO CHANGE

MACCLESFIELD (C): C 14, Lab 2, Lib 1, Ind 4.
C gained 1 from Lab and 1 from Ratepayers, Lab gained 2 from C.
New council: C 37, Lab 7, Lib 4, SDP 1, Ind 8, Ratepayers 3.
NO CHANGE

MAIDSTONE (C): C 9, Lib 6, Lab 3, Ind 1.
Lib gained 1 from C and 1 from Lab.
New council: C 27, Lib 16, Lab 8, Ind 3, SDP 1.
C LOSE CONTROL

MALDON (C with Ind support).
New council: C 15, Ind 5, Lib 9, Lab 1.
Lib gained 1 from Lab, 1 from Ind, 2 from C, C gained 1 from Ind, 1 from Lib.
NO CHANGE

MANSFIELD (Lab): Lab 38, C 5, SDP 3.
SDP gained 2 from C.
NO CHANGE

MEDINA (L): Lib 20, C 10, Ind 5, SDP 1.
C gained 2 from Lib, Lib gained 1 from Ind. SDP gained 1 from Ind.
NO CHANGE

MELTON (C): C 17, Lib 2, Ind 7.
Ind gained 3 from C and 3 from Lib.
NO CHANGE

MENDIP (Ind): C 25, Ind 11, Lab 4, SDP 3.
C gained 2 from Lab, 10 from Ind, Lab gained 1 from C, 1 from Ind, SDP gained 1 from C, 1 from Lib.
C GAIN CONTROL

MID BEDFORDSHIRE (C): C 26, Ind 20, Lab 7.
C gained 1 from Ind, Lab gained 1 from Ind.
NO CHANGE

MID DEVON (Ind): Ind 30, Lib 9, SDP 1
Lib gained 4 from Ind, SDP gained 1 from Ind.
NO CHANGE

MIDDLESBROUGH (Lab): Lab 35, C 16, Lib 1, Ind 1.
Lab gained 3 from C, 1from Lib, and 1 from SDP.
NO CHANGE

MID SUFFOLK (None): C 19, Ind 14, Lab 6, Lib 1.
C gained 3 from Ind, 1 from Lib, Lab gained 1 from Ind.
NO CHANGE

MID SUSSEX (C): C 43, SDP 5, Ind 6.
C gained 6 from Ind. SDP gained 3 from Lib.
NO CHANGE

MILTON KEYNES (None): C 7, Lab 5, Lib 1, SDP 2, Ind 1.
Lab gained 1 from Ind and 1 from SDP, SDP gained 1 from C.
New council: C 20, Lab 18, Lib 5, SDP 2, Ind 1.
NO CHANGE

MOLE VALLEY (None): Ind 7, C 6, Lib 1.
Lib gained 1 from C, C gained 1 from Ind.
New council: Ind 20, C 15, Lib 5, Lab 1.
NO CHANGE

NEWARK (None): C 25, Lab 25, Ind 3, Ind Lab 1, Lib 2.
Lib gained 1 from Ind and 1 from C. C gained 2 from Lab and 1 from Ind, Ind Lab gained 1 from Lab.
NO CHANGE

NEWBURY (C): C 35, Lib 10.
Boundary changes.
NO CHANGES

NEWCASTLE-UNDER-LYME (Lab): Lab 14, C 4, Lib 1, Ind C 1.
Lab gained 2 from C.
New council: Lab 39, C 8, Lib 6, SDP 1, Ind 1, Ind C 2.
NO CHANGE

NEW FOREST (C): C 41, Ind 12, Lib 4, Lab 1.
C gained 11 from Ind, 2 from Lib, and 1 from Lab. Lib gained 1 from Ind and 1 from C, Lab gained 1 from C, Ind gained 2 from C.
NO CHANGE

NORTHAMPTON (C): C 21, Lab 18, Lib 4.
Lab gained 3 from C and 3 from SDP, Lib gained 3 from C and 1 from Lab.
C LOST CONTROL

NORTHAVON (C): C 34, Lab 10, Lib 7, SDP 2, Ind 2 2 vacancies.
SDP gained 2 from C. Lib gained 2 from C and 2 from Lab.
NO CHANGE

NORTH BEDFORDSHIRE (C): C 32, Lab 9, Lib 8, Ind 3.
Boundary changes.
NO CHANGE

NORTH CORNWALL (Ind): Ind 32, Lib 5, C 1.
Ind gained 2 from Lib.
NO CHANGE

NORTH DEVON (None): C 9, Lab 1, Lib 8, North Devon Movement 4, Ind 22.
Lib gained 2 from North Devon Movement, Lab gained 1 from Ind.
NO CHANGE

NORTH DORSET (Ind): Ind 25, Lib 8, C 2.
Boundary changes.
NO CHANGE

NORTH-EAST DERBYSHIRE (Lab): Lab 31, C 17, Ind 5.
Lab gained 1 from C and 1 from SDP.
NO CHANGE

NORTH HERTFORDSHIRE (C): C 11, Lab 4, SDP 1, Ratepayers 1.
Lab gained 1 from C, SDP gained 1 from C.
New council: C 33, Lab 15, SDP 1, Ratepayers 1.
NO CHANGE

NORTH KESTEVEN (Ind): Ind 23, C 12, Lab 2, Lib 2.
C gained 1 from Ind, Ind gained 1 from C.
NO CHANGE

NORTH SHROPSHIRE (Ind): C 5, Lib 1, Ind 33, Ind C 1.
Ind gained 1 from C and 1 from Lib.
NO CHANGE

NORTH WARWICKSHIRE (Lab): Lab 20, C 11, Ind 2, SDP 1.
Lab gained 1 from C, C gained 2 from Lab, Ind gained 1 from C, SDP gained 1 from Ind.
NO CHANGE

NORTH WEST LEICESTERSHIRE (Lab): Lab 18, C 12, Ind 6, Lib 3, SDP 1.
Boundary changes.
LAB LOSE OVERALL CONTROL

NORTH WILTSHIRE (C): C 38, Lib 10, Lab 3, Ind 3.
Boundary changes.
NO CHANGE

NORWICH (Lab): Lab 12, C 3, Lib 1.
Lib gained 1 from Lab.
New council: Lab 37, C 9, Lib 2.
NO CHANGE

NOTTINGHAM (Lab): Lab 28, C 27.
C gained 5 from Lab, Lab gained 2 from C.
NO CHANGE

NUNEATON AND BEDWORTH (Lab): Lab 11, C 4.
Lab gained 1 from C.
New council: Lab 33, C 10, Lib 2.
NO CHANGE

OADBY AND WIGSTON (C): C 7, Lib 1.
C gained 1 from Lib, Lib gained 1 from C.
New council: C 22, Lab 1, Lib 3.
NO CHANGE

OSWESTRY (Ind): 18, C 3, Lab 2, Lib 4, SDP 1, (1 vacant).
Ind gained 1 from C, Lib gained 1 from Ind, 1 from Lab.
NO CHANGE

OXFORD (Lab): Lab 9, C 5, Lib 1.
Lab gained 2 from C, Lib gained 1 from Lab.
New council: Lab 28, C 15, Lib 2.
NO CHANGE

PENDLE (None): Lab 7, Lib 5, C 5.
Lib gained 1 from C. Lab gained 1 from C, Lab gained 1 from SDP.
New council: Lab 19, Lib 17, C 14, Ind 1.
NO CHANGE

PENWITH (Ind): C 2, Lab 1, Ind 10.
C gained 1 from Ind.
New council: C 5, Lab 1, Lib 2, Ind 25, Others 1.
NO CHANGE

PETERBOROUGH (None): C 7, Lab 7, Lib 3.
Lib gained 2 from C.
New council: C 18, Lab 23, Lib 6, SDP 1.
NO CHANGE

PLYMOUTH (C): C 33, Lab 24, Ind C 3.
C gained 3 from Lab and 1 vacant seat, Ind C gained 2 from C, Lab gained 1 from SDP.
NO CHANGE

POOLE (C): C 27, Lib 8, SDP 1.
Boundary changes.
NO CHANGE

PORTSMOUTH (C): C 25, Lab 11, Ind 2, SDP 1.
Boundary changes.
NO CHANGE

PRESTON (Lab): Lab 11, C 7, Lib 1.
New council: C 24, Lab 30, Lib 3.
NO CHANGE

PURBECK (None): C 3, Lib 1, Ind 2, Residents 1.
C gained 1 from Residents, Lib gained 1 from C.
New council: C 7, Lib 2, Ind 10, Residents 3.
NO CHANGE

READING (None): C 28, Lab 13, Lib 6.
Boundary changes.
C GAIN CONTROL

REDDITCH (C): Lab 17, C 9, Ind 3.
Boundary changes.
LAB GAIN CONTROL

REIGATE AND BANSTEAD (C): C 15, Lab 3.
New council: C 38, Lab 11.
NO CHANGE

RESTORMEL (Ind): Ind 25, Lib 11, C 6, Lab 1, SDP 1.
Boundary changes.
NO CHANGE

RIBBLE VALLEY (C): C 32, Lab 2, SDP 1, Ind 3.
C gained 7 from Ind and 1 from SDP.
NO CHANGE

RICHMONDSHIRE (Ind): Ind 30, Lib 2, SDP 1, 1 vacant
Lib gained 2 from Ind, SDP gained 1 from Ind.
NO CHANGE

ROCHESTER-UPON-MEDWAY (C): C 27, Lab 22, Ind 1
Lab gained 4 from C, C gained 1 from Ind C, 1 from Ind and 2 from Lab.
NO CHANGE

ROCHFORD (C): C 9, Lib 4.
C gained 2 from Ind. Lib gained 2 from C.
New council: C 28, Lab 2, Lib 7, Ind 3.
NO CHANGE

ROSSENDALE (C): C 8, Lab 8, Ind 1.
Lab gained 4 from C. Lab gained 1 from Lib, C gained 1 from Lab.
New council: C 18, Lab 14, Lib 1, SDP 1, Ind 1.
NO CHANGE

ROTHER (C): C 25, Lab 3, Lib 4, Ind 9, Ratepayers 4.
Lib gained 3 from C, C gained 1 from Lab, 1 from Ratepayers, 1 from Ind.
NO CHANGE

RUGBY (C): C 9, Lab 5, Ratepayer 3.
C gained 1 from Lab, Lab gained 1 from C, Ratepayer gained 1 from Lab.
New council: C 24, Lab 15, Ratepayer 8, Ind 2, Lib 1.
NO CHANGE

RUNNYMEDE (C): C 15, Lab 1, Ratepayer 1.
C gained 1 from SDP and 1 from Ind.
New council: C 32, Lab 6, Lib 1, Ratepayer 3.
NO CHANGE

RUSHCLIFFE (C): C 51, Lab 2, SDP 1.
C gained 1 from Lab, SDP gained 1 from C.
NO CHANGE

RUSHMOOR (C): C 14, Lab 2.
C gained 2 from Lib, C gained 2 from Residents, C gained 1 from Lab.
NO CHANGE

RUTLAND (Ind): Ind 13, C 4, Lib 3.
C gained 2 from Ind, Lib gained 1 from Ind.
NO CHANGE

RYEDALE (None): C 10, Lib 7, SDP 2, Lab 1, others 22.
Boundary changes.
NO CHANGE

ST ALBANS (C): C 12, Lab 3, Lib 3, SDP 1, Ind 1.
C gained 1 from Ind and 1 from Lib, Lib gained 1 from C, SDP gained 1 from Lab.
New council: C 30, Lab 9, Lib 12, SDP 4, Ind 2.
NO CHANGE

ST EDMUNDSBURY (C): C 30, Lab 9, Lib 3, Ind 2.
Lab gained 2 from C, Lib gained 2 from C, C gained 2 from Ind and 1 from Lab.
NO CHANGE

SALISBURY (None): C 25, Ind 14, Lib 9, Ratepayers 5, Lab 4, SDP 1.
C gained 5 from Ind and 1 from Lib, Lib gained 2 from C, 1 from Lab and 1 from Ratepayers, Lab gained 1 from Ind, Ind gained 2 from C, 2 from SDP and 1 from Lib.
NO CHANGE

SCARBOROUGH (C): C 22, Ind 14, Lab 8, SDP 3, Lib 2.
Ind gained 4 from C and 1 from Lib, C gained 1 from SDP, 1 from Lab and 1 from Lib, Lab gained 2 from C: SDP 2 from C.
C lost overall control.

SCUNTHORPE (Lab): Lab 9, C 3, SDP 1.
Lab gained 1 from Lib, SDP gained 1 from Lab.
New council: Lab 26, C 7, SDP 5, Lib 2.
NO CHANGE

SEDGEFIELD (Lab): Lab 40, SDP 4, C 2, others 3.
Boundary changes.
NO CHANGE

SEDGEMOOR (C): C 27, Lab 11, Ind 6, Lib 4, SDP 1.
C gained 2 from Ind, C gained 1 from Lab, SDP gained 1 from Lab, Lib gained 2 from C.
NO CHANGE

SELBY (C): C 28, Ind 12, Lab 10.
C gained 1 from SDP and 1 from Ind.
NO CHANGE

SHEPWAY (C): C 30, Lib 17, Lab 2, Ind 7.
Lib gained 7 from C and 2 from Lab. C gained 2 from Lab.
NO CHANGE

SHREWSBURY AND ATCHAM (C): C 9, Lab 5, Lib 2.
Lab gained 1 from C, C gained 1 from Lab.
New council: C 24, Lab 15, Lib 6, Ind 3.
NO CHANGE

SLOUGH (C): Lab 21, C 15, Lib 3.
Boundary changes.
LAB GAIN CONTROL

SOUTHAMPTON (C): C 8, Lab 6, Lib 1.
Lab gained 1 from SDP, 2 from C. C gained 1 from Lab, Lib gained 1 from C.
New council: C 23, Lab 21, Lib 1.
NO CHANGE

SOUTH BEDFORDSHIRE (C): C 15, Lab 3.
C gained 1 from Ind, 1 from Lib.
New council: C 38, Lab 10, Lib 4, Ind 1.
NO CHANGE

SOUTH BUCKS (C): C 32, Ind 8, Lib 1.
Boundary changes.
NO CHANGE

SOUTH CAMBRIDGESHIRE (Ind): C 2, Lib 2, Ind 14.
Lib gained 1 from Ind, C gained 1 from Ind.
New council: Lab 2, C 4, Lib 5, Ind 44.
NO CHANGE

SOUTH DERBYSHIRE (Lab): Lab 18, C 8, Lib 2, Ind 8.
Lab gained 1 from C.
NO CHANGE

SOUTHEND-ON-SEA (C): C 10, Lib 3.
C gained 2 from Lab.
New council: C 27, Lab 3, Lib 9.
NO CHANGE

SOUTH HAMS (None): C 25, Lib 4, Ind 5, Others 10.
C gained 19 from Ind, Lib gained 1 from Lab and 1 from C.
C GAIN CONTROL

SOUTH HOLLAND (Ind): Ind 25, C 11, SDP 2.
SDP gain 1 from Ind, C gained 1 from Ind, Ind gained 1 from C.
NO CHANGE

SOUTH KESTEVEN (None): C 31, Lab 10, Ind 10, Lib 6.
C gained 6 from Ind and 1 from Lib, Lib gained 4 from C and 2 from Ind, Ind gained 1 from C.
C GAIN CONTROL

SOUTH LAKELAND (None): C 11, Ind 5, Lab 1, SDP 1, Lib 2.
C gained 2 from Ind, C gained 1 from Lab, SDP gained 1 from Ind.
New council: C 23, Ind 18, Lib 7, Lab 3, SDP 1.
NO CHANGE

SOUTH NORTHAMPTONSHIRE (C): C 27, Ind 10, Lab 3.
Ind gained 1 from C.
NO CHANGE

SOUTH OXFORDSHIRE (C): C 39, Lab 7, Ind 8, Lib 3, SDP 1, Ind C 2.
Boundary changes.
NO CHANGE

SOUTH RIBBLE (C): C 39, Lab 11, Lib 4.
Lib gained 2 from Lab, 1 from C, Lab gained 3 from C.
NO CHANGE

SOUTH STAFFORDSHIRE (C): C 35, Ind 3, Lab 3, Lib 3, Ind C 5, Ind Lab 1, Christian Action 1.
C gained 1 from Ind, 1 from Christian Action, 1 from Lib, Ind gained 1 from Lab, Lib gained 2 from C.
NO CHANGE

SOUTH WIGHT (None): C 13, Lib 4, Ind 7.
C gained 3 from Ind, Ind gained 1 from Lib.
C GAIN CONTROL

SPELTHORNE (C): C 35, Lab 4.
Lab gained 2 from C.
NO CHANGE

Continued on next page

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Sharpening the great North-South divide

Robin Pauley examines the lessons for the parties after Thursday's polls

THE LOCAL elections on Thursday produced just what none of the political parties wanted: a patchy and inconsistent result which begged more questions than it answered.

The Conservatives held onto Birmingham, the most politically significant council in these elections, but failed to make the dramatic advances it had been hoping for as a definitive signal that the electorate was solidly behind the Government's policies. The Tory lead was several points lower than the opinion polls had indicated.

Labour had some very bad results—notably the failure to capture Reading—but gained an unexpected prize in Liverpool and made solid advances throughout the North of England, heightening the impression of a North-South *political divide.*

The Alliance lost Liverpool and Adur but unexpectedly took Chelmsford; the Liberals made *further steady consolidation* in its strong areas. The party polled around 23 per cent of the vote nationally, which is a solid third-party base, but *far short of the Alliance's* ambitious and seemingly-unattainable short-term targets.

The independents had a disastrous election, with voters appearing to reject single-issue (rates) or apolitical candidates —for this year at least—and returning to the major political parties.

The key elections were in the 36 English metropolitan districts, where the most notable feature was the lack of changes —*only two councils,* Liverpool and Stockport, changed control.

Labour remains firmly in control of most of the major urban areas of England but the most significant area is in the West Midlands, which is full of marginal seats crucial to whichever party is going to win a general election.

Labour not only failed to retake Birmingham, lost to the Tories last year at the height of the Falklands War and strong support for the Tory Government, but it also failed to take over the hung council of Walsall.

*Admittedly, retaking Birming*ham would have needed a 6 per cent swing to Labour. Nevertheless, these two failures are a severe setback to the party's electoral prospects in the country's heartland, where high unemployment and the ravages of the recession ought to have given them substantial gains.

The *failure to win hung coun*cils in other metropolitan areas —Bradford, Calderdale and Rochdale (where only one seat was needed)—compounds the lack of success for Labour in the polls. Their gains outside the metropolitan areas were confined to Blackburn, Redditch, Slough and Durham.

Their losses included Cardiff, Bristol, Great Grimsby, North-West Leicestershire and Worcester. (The Bristol voting *patterns suggest Mr Tony Benn* could face a very tough fight to get back to Parliament as the Tories outvoted Labour, although not heavily enough to win outright control.)

In Reading, which was hung, the boundary changes worked to Labour's advantage. Yet, *not only did the party fail to* take control, it also failed to poll enough votes to keep it hung. The Tories gained an unexpected bonus.

Labour consolidated heavily *in the North and in doing so* demonstrated once again that with the occasional exceptions in a few London boroughs, rates are not an issue in most local elections. Labour increased its majority in Newcastle upon Tyne, the most *heavily-rated city in the country* and where Alliance hopes had been high. On Tyneside generally, rate increases were high this year and Labour did very well on Thursday against that background.

The Tories' losses are more difficult to explain than their dramatic wins

In Wales, the Labour vote *held up but did not produce* the level of gains hoped for by the party. However, where the Labour vote was eroded it was to the benefit of Plaid Cymru, who improved their positions in the valley areas and in the Vale of Glamorgan.

The claim by Mr Dafydd Williams, the party's general secretary, that the results would mean at least two parliamentary gains for the party at the general election, seemed to be rather more optimistic than the results suggest, however. The Alliance performance in Wales remains very weak.

A problem for the Conservatives, apart from their reduced lead over the other parties, lies in the almost-random pattern of their losses. These include Brighton, Eastleigh, Fenland, Hart, Maidstone, Northampton, Scarborough and Stockport. Many of these areas are rural or small towns, fairly prosperous and *traditionally* Tory. Their loss is more worrying and difficult for the party to explain than dramatic successes like the capture of Cardiff and Reading.

Although both major parties claimed that the Alliance vote was being squeezed, the fact is that the aggregate vote of the Labour and Tory parties in local polls continues to erode—very slowly but consistently. The Liberals make steady progress despite the bad *reverses such as the loss of Adur* and the failure to take Cheltenham.

If there was one major lesson for the SDP on Thursday it must be that it sets itself unrealistic targets locally. It is anxious to break the mould of British politics quickly. But it could face a long march to remould politics, at least at the town hall level and building up a strong local structure and organisation on the way may be a vital factor in its chances of *success.*

The 22 per cent of the vote gained by the Alliance (rising to 25 per cent in the South-east) is enough to return fewer than 20 MPs to Parliament.

The elections produced only about 100 new Alliance council seats, against the 200 hoped for. *The SDP is thus in the curious* position of almost despairing over a local election result which, by any standards other than their own, is not bad.

The party was cheered by the gain of Chelmsford, which again casts doubt over the safeness of Mr Norman St John Stevas's seat. However, *Liberals* had a great advance on the council in 1979 on the same day as the general election result produced a swing to Mr St John Stevas.

Chelmsford probably belongs to the small group of results which are "inexplicably odd" and *cause the parties such* anguish.

Cambridge is another, where the Tory vote dropped 15 per cent, the Alliance rose 15 per cent and Labour stood still.

The Alliance failed to score heavily enough in the Tory heartland of the south-east, although again it picked up more than 20 per cent of the votes.

The area around the Medway towns, where unemployment is rising and dockyard closures are heightening Tory unpopularity, should have been ripe Alliance territory.

The SDP is *still* badly organised and inexperienced at the local level

Indeed, at one point SDP workers in Gravesham were enthusiatstically reporting canbass returns indicating that the world, or at least the council, was their for the asking. But the SDP in fact lost one of its two seats and Labour *took three* Tory seats (new council Con 23, Lab 20, SDP 1).

Apart from the problem of *not being able to rock the Con*servatives when they are in trouble in their own areas, the SDP is still badly organised and inexperienced in interpreting what is happening and reacting accordingly. This is causing serious concern at the party's much more sophisticated political HQ in London.

The other problem area for the SDP half of the Alliance is in the North-east, where it is failing completely to make inroads into the moderate Labour heartland. The future of four SDP MPs in the region —Mike Thomas, Bill Rodgers, Ian Wrigglesworth and John Horam—look much bleaker after Labour's consistent advance on Thursday. All are *Labour Party defectors who* remained in place in a Labour-won seat without being re-elected under their new colours. This was the position also of many of the "SDP" candidates who lost on Thursday.

The biggest losers of the day, however, were the independents, who dropped seats at the rate of about four for every one gained. Independents, most of whom are Conservatives under the surface, fare badly in local polls when major national issues —such as the spectre of an imminent general election—are in the air.

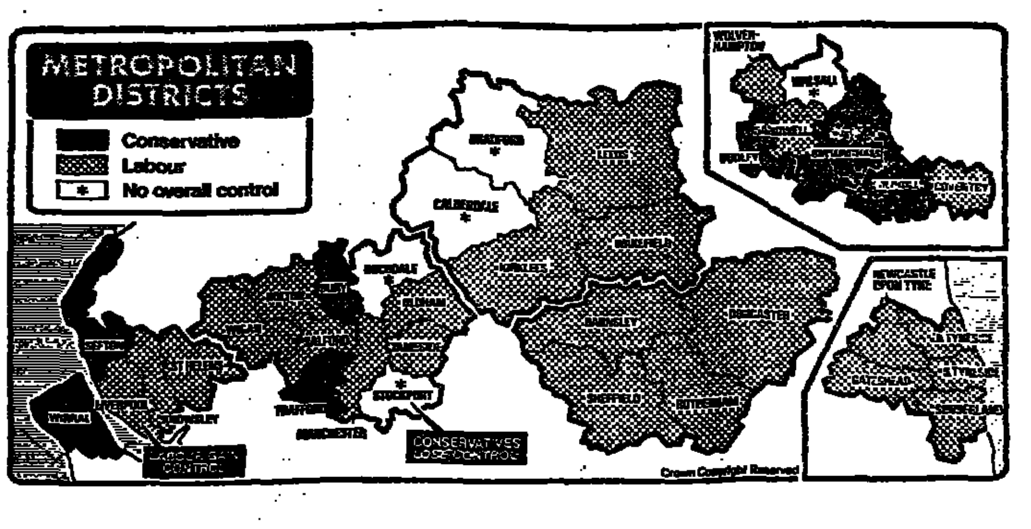
They often fight elections only one local issue, or on the contention that local issues are apolitical. But their supporters *seep back to the* major party lines when national issues appear to be predominant.

Comparison of Thursday's results with those of previous years is complicated by the fact that last year, the "Falklands factor" worked in Conservative candidates' favour — although opposition parties and the SDP, in particular, had been high in the opinion polls before the war began.

In addition, many of the elections were held in areas which voted in 1979 when polling was on general election day, resulting in a very high turnout. Results in 49 of the 369 councils are not comparable at all because ward boundaries have been redrawn.

About 20,000 candidates were chasing 12,688 seats. Tories, Labour and Liberal *parties won more seats than* they lost, the SDP lost a few more than it gained and independents lost many more than they gained.

As in all elections, there were close contests and "no contests." An example of the latter was at Bracknell where the Tories retained their 26 seats, won seven more from Labour and another seven *from SDP to become the only* party on the council.



THE COUNCILS THAT CHANGED HANDS

To C. from Lab.: Cardiff.
To C. from Ind.: Mendip.
To C. from None: Congleton, Daventry, Great Yarmouth, Kingswood, Reading, South Hams, South Kesteven, South Wight, Tamworth.

To Lab. from C.: Redditch, Slough.
To Lab. from None: Blackburn, Durham, Liverpool.
To Ind. from None: Teignbridge.

To None from C.: Brighton, Carrick, Eastleigh, Fenland, Hart, High Peak, Maidstone, Northampton, Scarborough, Stockport.
To None from Lab.: Allerdale, Bristol, Great Grimsby, N.W. Leicestershire, Worcester.

To None from Ind.: Arfon, Babergh, Wychaven.
To None from Lib.: Adur.
To Alliance from C.: Chelmsford.

Five Scottish councils ordered to cut rates or lose grants

BY KEVIN BROWN

MR GEORGE YOUNGER, the Secretary for Scotland, yesterday ordered five high-spending local authorities to make big rate reductions or face cuts in grants from central government.

Mr Younger also made clear that he will enforce cuts across the board in grants to all Scottish authorities, unless total *local authority expenditure in* this financial year is cut by £121m from its projected level of £2,800m.

The five authorities named as the most excessive spenders are Lothian Regional Council (instructed to cut rate demands by 8p), Glasgow District Council (5p), Kirkcaldy District (3p), Stirling District (3p) and the Shetland Islands Council (15p).

All five yesterday received from the Scottish Office letters of instruction to make the reductions by June 6. If they were to refuse, Mr Younger would ask parliament to approve statutory rate reductions, cuts in rate support grants, or both.

The Scottish Office pointed *out yesterday that the Secretary* of State's power to cut grants across the board could hit hardest those authorities considered to be the worst offenders.

The Convention of Scottish Local Authorities was unsure what the implications of Mr Younger's threat of a general grant abatement would be, particularly for authorities other than the five named.

The Scottish Office did not state the excess expenditure by the five councils in cash terms, so detailed arithmetic was necesesary for the convention to work out how much of the desired reduction might have to be achieved by the rest of the country. On the basis of *the rate reductions* demanded, the excess amounts to £15.6m by Lothian, £9.8m by Glasgow, £1.15m by Kirkcaldy, £600,000 by Stirling and £3.7m by Shetland — a total of £30.85m.

Mr Graham Spiers, secretary of the convention, said Mr Younger's action was surprising because the average Scottish domestic rate rise has been less than 1p in the £ this year.

How they voted on Thursday

Local Elections '83

Continued from previous page

STAFFORD (None): C 20, Lab 19, Lib 6, Ind 15.
Lib gained 3 from C, Lab gained 1 from C.
NO CHANGE

STAFFORDSHIRE MOORLANDS (None): Others 12.
C 22, Lab 13, Ind 8, Ratepayers 1.
C gained 1 from Lab and 2 from Ind, Lab gained 1 from others.
NO CHANGE

STEVENAGE (Lab): C 1, Lab 9, Lib 2, SDP 1.
SDP gained 1 from Lab.
New council: C 2, Lab 27, Lib 5, SDP 5.
NO CHANGE

STOCKTON-ON-TEES (Lab): Lab 28, C 26, SDP 1.
C gained 3 from Lab, 1 from Lib, 1 from SDP.
NO CHANGE

STOKE-ON-TRENT (Lab): Lab 20, C 1.
New council: Lab 57, C 3.
NO CHANGE

STRATFORD-ON-AVON (C): C 15, Lib 1, *Ind* 4.
C gained 1 from *Ind.*
New council: C 38, Ind 12, Lab 3, Lib 4.
NO CHANGE

STROUD (C): C 30, Ind 13, Lab 7, Lib 6.
Boundary changes.
NO CHANGE

SUFFOLK COASTAL (C): C 44, Ind 5 Lab 2, others 4.
C gained 1 from Ind, 4 from others.
NO CHANGE

SURREY HEATH (C): C 36.
C gained 1 from SDP.
NO CHANGE

SWALE (C): C 15, Lab 2, SDP 2, Lib 1.
C gained 3 from Lab, SDP gained 1 from Lab.
New council: C 31, Lab 13, SDP 2, *Lib 2, Others 1.*
NO CHANGE

TAMWORTH (None): C 7, Lab 2.
C gained 2 from Ind, 1 from Lab.
New council: C 15, Lab 12.
C GAIN CONTROL

TANDRIDGE (C): C 14.
C gained 1 from Lib.
New council: C 37, Lab 2, Lib 2, Ind 1.
NO CHANGE

TAUNTON DEANE (C): C 32, Lab 10, SDP 1, Ind6.
C gained 1 from Lab, 4 from Ind and 1 from SDP, Ind gained 1 from C.
NO CHANGE

TEESDALE (Ind): Ind 28, Lab 3.
Boundary changes.
NO CHANGE

TEIGNBRIDGE (None): C 19, Lab 3, Lib 5, Ind 31.
Ind gained 2 from C and 1 from SDP.
IND GAIN CONTROL

TEST VALLEY (C): C 34, Lab 1, Lib 4, Ind 5.
C gained 2 from Lib, Ind gained 1 from C, Lib gained 2 from Lab.
NO CHANGE

TEWKESBURY (None): *Ind* 29, C 13, SDP 2 (1 vacant).
Boundary changes.
NO CHANGE

THAMESDOWN (Lab): Lab 9, C 7, Ind 1.
C gained 2 from Lab.
New council: Lab 30, C 16, Lib 2, Ind 1.
NO CHANGE

THANET (C): C 28, Ind 16, Lab 8, Lib 1, SDP 1.
C gained 5 from Ind 1 from Lib, Ind gained 6 from C, Lab gained 3 from C, Lib gained 1 from C.
NO CHANGE

THREE RIVERS (C): C 9, Lab 5, Lib 4.
Lib gained 1 from C.
New council: C 26, Lab 9, Lib 11, SDP 1.
NO CHANGE

THURROCK (Lab): Lab 8, C 5, Ind 1.
Lab gained 1 from C and 1 from Ind.
New council: Lab 23, C 10, SDP 1, Ind 5.
NO CHANGE

TONBRIDGE AND MALLING (C): C 11, Lib 4, Lab 2, Ind 1.
Lib gained 1 from Lab, Lab gained 1 from C.
New council: C 36, Lab 5, Lib 9, Ind 2.
NO CHANGE

TORBAY (C): C 34, Ind 1, Ratepayers 1.
C *gained* 5 from Ratepayers, Ratepayers gained 1 from C, C gained 2 from *Lib,* Ind gained 1 from Lib.
NO CHANGE

TORRIDGE (Ind): Ind 28, C 3, Lab 1, 1 vacant.
C gained 1 from Lib and 1 from Ind.
NO CHANGE

TUNBRIDGE WELLS (C): C 15, SDP 1, Lib 1, Ind 1.
SDP gained 1 from C, Libs gained 1 from C, C gained 1 from Lab and 2 from Ind.
New council: C 43, Lib 2, SDP 1, Ind 1, Lab 1.
NO CHANGE

TYNEDALE (None): Ind 16, C 12, Lib 12, Lab 7.
Lib gained 2 from *Ind* and 1 from Lab, C gained 4 from Ind, Ind gained 2 from Lab and 2 from C.
NO CHANGE

UTTLESFORD (C): C 28, Lib 6, Lab 1, Ind 7.
Lab gain 1 from C, C gained 1 from Ind and 1 from Lab.
NO CHANGE

VALE ROYAL (None): C 30, Lab 22, Lib 1, SDP 1, Ind 6.
C gained 4 from Lib, 1 from SDP and 2 from Ind, Lab gained 1 from Ind, 1 from C and 1 from SDP, Lib gained 1 from Ind, Ind gained 2 from C.
NO CHANGE

WANSBECK (Lab): Lab 35, Lib 10, Ind 1.
Lib gained 6 from Lab, Lab gained 1 from *Lib* and 1 from SDP.
NO CHANGE

WANSDYKE (C): C 33, Lab 11; Ind 3.
C gained 6 from Lab, and 1 from Ind, Lab gained 1 from Ind.
NO CHANGE

WARRINGTON (Lab): Lab 36, C22, SDP 2.
Lab gained 5 from C, 1 from Ind, C gained 1 from Lab, 1 from SDP.
NO CHANGE

WARWICK (C) C 31, Lab 7, Lib 4, Ratepayers 3.
Boundary changes.
NO CHANGE

WATFORD (Lab): Lab 7, C 5.
New council: Lab 23, C 13.
NO CHANGE

WAVENEY (C): C 27, Lab 17, Lib 2, Ind 2.
Boundary changes.
NO CHANGE

WAVERLEY (C): C 46, Lab 2, Ind 5, *Lib* 4.
Boundary change.
NO CHANGE

WEALDEN (C): C 48, SDP 2, Ind 2, others 6.
Boundary changes.
NO CHANGE

WEAR VALLEY (Lab): Lab 28, Ind 5, C 3, Lib 2, others 2.
Boundary changes.
NO CHANGE

WELLINGBOROUGH (C): C 18, Lab 12, Lib 1, Ind 3.
Boundary changes.
NO CHANGE

WELWYN HATFIELD (Lab): C 9, Lab 7.
C gained 1 from Lab.
New council: C 19, Lab 24.
NO CHANGE

WEST DERBYSHIRE (C): C 27, Lib 5, Lab 2, Ind 4 (one vacant).
C gained 4 from Lib and 1 from Ind, Lab gained 1 from Ind.
NO CHANGE

WEST DEVON (Ind): Ind 19, C 10, Lib 1.
C gained 2 from Ind, Lib gained 1 from Ind, Ind gained 3 from C.
NO CHANGE

WEST DORSET (Ind): Ind 33, C 12, Lib 7, Lab 2.
Boundary changes.
NO CHANGE

WEST LANCASHIRE (C): C 12, Lab 7, Ind 2.
C gained 1 from Lab.
New council: C 31, Lab 20, Ind 3.
NO CHANGE

WEST LINDSEY *(Non): Lab 1, Lib 3,* Ind 6, C 4.
C gained 1 from Lib.
New council: C 10, Lab 2, Lib 10, SDP 1, Ind 14.
NO CHANGE

WEST OXFORDSHIRE (C): C 7, Lab 2, Lib 2, Ind 5.
Lib gained 1 from C, C gained 1 from Lib. New council: C 25, Ind 14, Lab 5, Lib 4, SDP 1.
NO CHANGE

WEST SOMERSET (Ind): Ind 27, C 4, SDP 1.
C gained 2 from Ind.
NO CHANGE

WEST WILTSHIRE (C): C 33, Lab 4, Lib 2, SDP 2, Ind 2.
Boundary changes.
NO CHANGE

WEYMOUTH AND PORTLAND (None): C 5, Lab 6, Ratepayers 1.
Lab gained 2 from Ratepayers, C gained 1 from Ind.
New council: C 16, Lab 12, Ind 3, Ratepayers 4.
NO CHANGE

WIMBORNE (C): C 27, Lib 3, SDP 1, Ind 3, Ratepayers 2.
Boundary changes.
NO CHANGE

WINCHESTER (C): C 17, Lab 1, Ind 1.
C gained 3 from Ind.
New council: C 35, Ind 8, Lab 5, Lib 4, SDP 1 (1 vacant).
NO CHANGE

WINDSOR AND MAIDENHEAD (C): C 48, Lib 6, R 3, Ind 1.
Lib gained 1 from C and 1 from Lab.
NO CHANGE

WOKING *(C): Lab 3, C 7, Lib 3,*
Lib gained 2 from C.
New council: C 21, Lab 8, Lib 6.
NO CHANGE

WOKINGHAM (C): C 16, Lib 2.
New council: C 45, Lib 7, Lab 1.
NO CHANGE

WOODSPRING (C): C 18, Lab 1, Lib 1, Ind 2.
New council: C 47, Lab 4, Lib 2, SDP 1, Ind 5.
NO CHANGE

WORCESTER (Lab): Lab 5, C 8.
C gained 3 from Lab.
New council: Lab 18, C 18.
LAB LOSE OVERALL CONTROL

WORTHING (C): C 24, Lib 12.
Boundary changes.
NO CHANGE

WREKIN, THE (Lab): C 7, Lab 33, Ind 6.
Lab gained 3 from C, 3 from Ind and 1 from Lib.
NO CHANGE

WYCHAVON (Ind): Ind 22, C 17, Lib 5, Lab 3, SDP 1 (1 vacant seat).
C gained 1 from Ind, Lib gained 3 from Ind, SDP gained 1 from others.
INDEPENDENT LOSE CONTROL.

WYCOMBE (C): C 50, Lab 6, Ind 3, Lib 1.
Boundary changes.
NO CHANGE

WYRE *(C): C 46, Lab 8, Lib 2.*
C gained 2 from Ind, 3 from SDP, 1 from Lab and 1 from Lib, Lab gained 1 from C and 2 from SDP.
NO CHANGE

WYRE FOREST (None): C 8, Lib 4, Lab 2.
C gained 2 from Lib, Lab gained one from Lib.
New council: C 18, Lib 14, Lab 7, Ind 3.
NO CHANGE

YEOVIL (None): C 20, Lab 1, Lib 24, SDP 3, Ind 12.
Lib gained 5 from C, 2 from Ind, *SDP gained 2 from Ind.*
NO CHANGE

YORK (None): C 7, Lab 6, Lib 2.
C gained 1 from Lib, Lab gained 2 from C.
New council: C 18, Lab 17, Lib 10.
NO CHANGE

Wales

ABERCONWAY (Ind): Ind 21, C 12, Lib 7, Lab 1.
Lib gained 2 *from* C and 1 from Ind, *Lab gained 1 from Ind.*
NO CHANGE

AFAN (Lab): Lab 24, Ratepayers 7.
Boundary changes.
NO CHANGE

ALYN AND DEESIDE (None): Lab 22, C 13, SDP 4, Ind 4, Ratepayers 1, Lib 1.
Lab gained 1 from Lib, 1 from Ratepayers and 1 from C, C gained 1 from *Ratepayers and 1 from Lib,* SDP gained 2 from Ind.
NO CHANGE

ARFON (Ind): Lab 12, Lib 2, PC 11, Ind 15.
PC *gained 3 from Ind, Lab gained 3* from Ind, Lib gained 1 from Ind.
IND LOSE CONTROL

BLAENAU GWENT (Lab): Lab 37, PC 2, C 1, Lib 1, R 2, Ind Lab 3, Ind 4.
Lab gained 3 from R, 1 from Lib, 1 from Ind.
NO CHANGE

BRECKNOCK (Ind): Ind 33, Lab 16, Lib 1, 1 Vacant.
Lib gained 1 from Ind.
NO CHANGE

CARDIFF (Lab): C 34, Lab 28, Lib 3.
Boundary changes.
C GAINED CONTROL

CARMARTHEN (Ind): Ind 28, Lab 6, Lib 2.
Lib gained 1 from PC and 1 from Ind.
NO CHANGE

COLWYN (None): Lib 12, C 10, Lab 1, Ind 9, Ratepayers/Residents 2.
Boundary changes.
NO CHANGE

CYNON VALLEY (Lab): Lab 28, PC 6, Ind 5, Comm 1.
PC gained 3 from Lab, Ind gained 3 from Lab.
NO CHANGE

DELYN (None): C 4, Lab 18, Lib 3, Ind 13, PC 2.
Ind gained 1 from Lab and 1 from Lib.
NO *CHANGE*

DWYFOR (None): PC 4, Ind 25.
NO CHANGE

DINEFWR (Lab): Lab 17, Ind 11, PC 4.
Lab gained 1 from Ind.
NO *CHANGE*

GLYNDWR (Ind): Ind 31, Lab 2.
Lab gained 1 from Ind.
NO CHANGE

ISLWYN (Lab): Lab 24, PC 8, SDP 1, Ind 2.
Boundary changes.
NO CHANGE

LLANELLI (Lab): Lab 27, Lib 2, Ind 1.
Lab gained 3 from Ind. Vacancies 3.
NO CHANGE

MEIRIONNWYDD (Ind): Ind 31, PC 5, Lab 3.
Lab gained 1 from Ind, PC gained 1 from Ind, Ind gained 1 from PC.
NO CHANGE

MERTHYR TYDFIL (Lab): Lab 32, Ind 1.
Lab gained 1 from PC, 2 from Ind.
NO CHANGE

MONMOUTH *(C): C 26, Lab 7, Lib 2,* Ind 4.
C *gained* 4 from Ind and 2 from Lab, *Lib gained 2 from C,* Lab gained 1 from SDP and 1 from Ind, Ind gained 1 from C.
NO CHANGE

MONTGOMERY (Ind): C 1, Lab 1, Lib 3, Ind 42, PC 2.
C gained 1 from Ind, Ind gained 1 from PC.
NO CHANGE

NEATH (Lab): Lab 29, PC 2, SDP 1, Ind 2.
Boundary change.
NO CHANGE

NEWPORT (Lab): Lab 36 C 11.
Boundary changes.
NO CHANGE

PRESELI (None): Ind 41, Lab 3.
Lab gained 2 from Ind.
NO CHANGE

RADNOR (Ind): Ind 33.
Boundary change.
NO CHANGE

RHONDDA (Lab): Lab 26, Ind 1, PC 2, Ratepayers 4.
Lab gained 1 from Comm, 1 from Ratepayers, Ratepayers gained 1 from Lab, PC gained 1 from Lab.
NO CHANGE

RHUDDLAN (None): Ind 18, C 9, Lab 3, SDP 2, PC 2, others 2.
Boundary changes.
NO CHANGE

RHYMNEY VALLEY (Lab): Lab 34, PC 9, Lib 1, Ind 2, Ratepayers 2.
PC gained 1 from Lab, 2 from Ratepayers.
NO CHANGE

SOUTH PEMBROKESHIRE (Ind): Ind 25, Lab 4.
Lab gained 3 from Ind.
New council: Ind 22, Lab 7.
NO CHANGE

SWANSEA (Lab): Lab 33, C 16, Ind 1, Ratepayers 1.
C gained 2 from Ind.
NO CHANGE

TORFAEN (Lab): Lab 32, C 1, Ind 10.
Lab gained 2 from C, 4 from Ind and 2 from SDP.
NO CHANGE

VALE OF GLAMORGAN (C): C 32, Lab 10, Ind 2, PC 2.
Boundary changes.
NO CHANGE

WREXHAM MAELOR (None): Lab 22, C 9, Lib 2, SDP 1, Ind 1, others 10.
Lab gained 2 from SDP and 1 from Ind.
NO CHANGE

YNYS MON—ISLE OF ANGLESEY (Ind): Ind 43, Lab 2.
Ind gained 1 from Lab.
NO CHANGE

Financial Times Saturday May 7 1983

Transvaal Consolidated Land and Exploration Company, Limited

(Incorporated in the Republic of South Africa)

A member of the Barlow Rand Group

INTERIM REPORT FOR THE HALF-YEAR ENDED 31ST MARCH, 1983

The unaudited consolidated results of Transvaal Consolidated Land and Exploration Company, Limited ("TCL") and its subsidiaries for the half-year ended 31st March, 1983, together with those for the comparable period last year and the audited results for the year ended 30th September, 1982, are set out below:

	Half-year ended 31st March 1983 (R000's)	Half-year ended 31st March 1982 (R000's)	Year ended 30th Sept. 1982 (R000's)
Turnover .... See note	228 175	209 961	423 820
Consolidated operating profit	61 446	59 606	117 479
Profit/(Loss) on sale of shares less amounts written off	2 817	(93)	997
Dividends from investments	11 804	7 062	14 001
	76 067	66 575	132 477
Less: Exploration expenditure	2 624	3 052	5 813
Consolidated profit before taxation	73 443	63 523	126 664
Taxation	28 857	28 058	53 857
Normal	5 835	8 972	5 053
Deferred	23 022	19 086	48 804
Consolidated profit after taxation ...	44 586	35 465	72 807
Less: Profit attributable to outside shareholders in subsidiary companies	7 122	8 918	18 460
Interest of members of TCL	37 464	26 547	54 347
Shares in issue	11 210 756	8 630 756	8 630 756
Earnings per share	378c*	308c	630c
Dividends per share	75c	75c	260c

* Based on weighted average of 9 920 756 shares in issue. Earnings per share based on 11 210 756 shares in issue at 31st March, 1983 were 334 cents.

Note:
Turnover is the revenue derived by subsidiary companies from rents, township sales and sales of gold, coal, base minerals and timber.

Acquisition of Mining-related Business of Rand Mines, Limited
In terms of various agreements which were ratified by members at the general meeting held on 21st March, 1983, TCL acquired the mining-related business of Rand Mines, Limited with effect from 1st January, 1983, in exchange for the issue and allotment of 2 580 000 shares in TCL. Profits from these operations for the 3 months ended 31st March, 1983 amounting to R5 087 000 included in the above results were in line with expectations.

Borrowings
Particulars of the borrowings and other indebtedness of TCL and its subsidiaries were as follows:

	31st March 1983 (R000's)	31st March 1982 (R000's)	30th Sept. 1982 (R000's)
Long term	142 176	110 395	152 799
Short term	22 069	29 056	14 888
Total	164 245	139 451	167 687

Interim dividend
An interim dividend of 75 cents (1982: 75 cents) per share has been declared in terms of the dividend notice set out below.

Profit prospects
Softening coal export markets, difficult trading conditions for base minerals and a volatile gold price make it extremely difficult to forecast profits for the year to 30th September, 1983, but is nevertheless expected that earnings per share for the current financial year will show an improvement on those of last year.

Listed investments
Arising from the transaction referred to above TCL acquired with effect 1st January, 1983 a portfolio of listed investments with a market value at that date of R85 313 000. The values of the group's listed investments including the listed investments referred to above were as follows: (market values are based on prices ruling on The Johannesburg Stock Exchange)

	31st March 1983 (R000's)	31st March 1982 (R000's)	30th Sept. 1982 (R000's)
Listed investments			
—Market value	238 750	103 968	150 800
—Book value	144 981	55 358	55 495
Investments in listed subsidiaries not included above			
—Market value	315 470	350 501	351 490

Proposed capital expenditure and commitments
Capital expenditure during the half-year amounted to R55 million (1982: R67 million). Capital expenditure commitments contracted for amount to R58 million (1982: R103 million). Capital expenditure for the remainder of the financial year is estimated at R72 million (1982: R84 million).

For and on behalf of the board
R. S. Lawrence (Chairman) ; Directors
D. T. Watt (Deputy Chairman) ;

DECLARATION OF DIVIDEND NO. 87

Notice is hereby given that dividend No. 87 of 75 cents per share has been declared in *South African currency, as an interim dividend in respect of the year ending 30th* September 1983, payable to members registered in the books of the company at the close of business on 27th May 1983 and to persons presenting the appropriate coupon (No. 88) detached from a share warrant to bearer. The dividend on a share warrant to bearer will be paid in terms of a further notice to be published by the company's United Kingdom Secretaries on 3rd June 1983. The register of members will be closed from 28th May to 5th June 1983, inclusive, and dividend warrants will be posted on or about 4th July 1983.

The rate of exchange at which the dividend will be converted into United Kingdom currency for payment by the United Kingdom Registrars and Transfer Agents will be *the telegraphic transfer rate of exchange between Johannesburg and London ruling on* the first business day after 28th May 1983 on which foreign currency dealings are transacted.

Where applicable, South African non-resident shareholders' tax of 15% will be deducted from the dividend.

The full conditions of payment of this dividend may be inspected at or obtained from the offices of the company in Johannesburg or in the United Kingdom.

By order of the board
RAND MINES (MINING & SERVICES) LIMITED
Secretaries
per: V. M. MURTON

Registered Office:
15th Floor
63 Fox Street
Johannesburg 2001
(P.O. Box 62370, Marshalltown 2107)

Offices in the United Kingdom:
Charter Consolidated P.L.C.
40 Holborn Viaduct
London EC1P 1AJ

United Kingdom Registrars and Transfer Agents:
Charter Consolidated P.L.C.
P.O. Box 102
Charter House, Park Street
Ashford, Kent TN24 8EQ

6th May 1983

THE WEEK IN THE MARKETS

Equities stay off the boil

LONDON

ONLOOKER

The cautionary mood that overtook the London market two weeks ago has finally spread across the Atlantic to Wall Street. While the City was away enjoying its Bank Holiday break, this U.S. market, which had for so long led the way forward, sending the Dow Jones Index surging from peak to peak, came to an abrupt halt.

As a result, when trading restarted on Tuesday the enthusiasm for equities had drained away and it was left to gilts to make a comeback to the bright lights. After the latest tap stock was exhausted investors turned to medium dated gilts and equities were left on tickover amid election uncertainties, despite further favourable economic indicators.

Yesterday the FT Industrial Ordinary share index finished the week down 0.8 at 694.4.

M & S pace eases

A substantial increase in wage costs and higher stock markdowns following last year's poor summer weather meant Marks and Spencer's 1982 profits advance did not quite match sales.

Overall volumes were up by 11 per cent, while pre-tax profits rose 7.5 per cent to £239.3m, or about 10 per cent adjusting for the extra week in the previous financial year. An 18 per cent rise in the wage bill reflected a 2,800—or 7 per cent—increase in staff numbers and a generous pay settlement.

The sales advance was led by the housewares division, with a volume increase of 24 per cent, while clothing was up 8 per cent and food 11 per cent.

Marks' concentration on middle-class customers who tend to have mortgages means it is well placed to take advantage of the impact of falling inflation and interest rates on that group's spending patterns. However, the increase in consumer spending during the period has been more biased towards durables, which Marks does not sell, so its volume increase points to another gain in market share. The sales performance also reflects the disarray of some of Marks' High *Street competitors.*

The group now holds an estimated 3.5 per cent of all UK food sales, a position which is strong enough to put real pressure on its suppliers. The rapid advance of housewares coupled with a greater emphasis on service should allow Marks to continue to encroach on its rivals.

In the current year, Marks is reining in its costs and has been slightly less generous to employees. Meanwhile, volumes continue to surge ahead, *indicating a pre-tax outcome for* 1983 of about £270m.

The total dividend was raised 10 per cent to 5.1p net, with a final payment of 3.25p.

Gresham Street guru

S .G. Warburg, that doughty defender of corporate causes, has had a busy time this last week with no less than five clients reaching important, often decisive, stages in takeover bids.

The bank has been building ramparts around Sotheby Parke Bernet, Thomas Tilling, Johnson Group Cleaners, Percy Bilton and House of Fraser. ow stands Warburg's reputation after these last four hectic days? Is the varnish still pristine or his it chipped a little?

First out of the hat was the auction house. The surprise decision by Lord Cockfield to refer the bid by the two Americans who run General Felt Industries to the Monopolies Commission for reasons of public interest excited as much if not more comment than the first arrival of Messrs Cogan and Swid in Bond Street ever did. GFI looked to be very powerfully placed to secure control of this valuable national asset before the Minister's sudden intervention so should we score a point for Warburg or call Sotheby's defence a confused draw?

The defence of Thomas Tilling against the £600m bid from BTR still has a long way to go but the industrial conglomerate certainly made some punches count and pulled back *much of the points lead the* bidder had already built up.

Tilling is going to have a fabulous year in 1983. Its profits will soar, it forecasts, from £43.7m to something in the region of £95m against the previous best of £81.1m for 1979. Earnings will go even better and the dividend will go up by a fifth. Equally important, Tilling's share price took heart from these predictions and now enjoys *comfortable headroom against* BTR's terms.

On to Percy Bilton where Warburg defended the property and building group against a highly geared £100m plus offer from Trust Securities. The bank barely broke sweat during this campaign, not even deigning to *produce profits forecasts* or a property revaluation. The attack attracted such a miserly level of acceptances that the defence can surely claim a walkover.

For Johnson Group Cleaners, Warburg was back with the merger authorities. The Monopolies and Mergers Commission had looked long and hard at the rival bids for the dry cleaning and garment hire group from Initial and Sunlight Services. It concluded that a bid by either would be against the public interest—neatly defined on this occasion, at least, as a concentration of power and loss of competition. at least, as a concentration of power and loss of competition in a specific market place. A draw perhaps since the Trade Minister had the final say or maybe points to Warburg for effort in view of the reams of information which a financial advisor must dig up for any client undergoing a monopolies reference.

Last but by no means least is House of Fraser. Events at the latest extraordinary meeting and confrontation between the *board and Lonrho are reported* elsewhere in the paper. But Warburg has been in this fight so long that it knows that, win or lose, this time the campaign will inevitably drag on further.

Royal Bank slips

The Royal Bank of Scotland *has found the first financial year* after the trauma of takeover threats a tough one. Pre-tax profits for the half year to March fell by a disappointing 28 per cent to £38.9m. That was well below market expectations of an improvement on last year's £43.1m and the shares fell 13p to 124p on the news.

The biggest surprise *was the* jump in Royal Bank's bad debt prevision by £10.3m to £24.5m. It has been hit worse than most on the domestic front because of its concentration of corporate business in Scotland and in the economically depressed areas of the North West and Midlands through its English arm Williams and Glyn.

The second disappointment already disclosed was the fall in profits from the finance house Lloyds and Scottish—from £6.3m to £1.2m—where Royal Bank has a 39 per cent stake.

The group's reliance on wholesale funds has increased until they now account for almost half of its total funding base. This is proving costly as lending margins have been diminished whenever interbank rates have risen significantly above base rates, a frequent occurence in recent months.

The tightness of margins means that Royal Bank's interest income of £522.2m is almost the same as last year despite the bank's 24 per cent increase in total assets.

Royal Bank has been looking forward to reaping the benefits of a full integration with Williams and Glyn in cost efficiences and strengthened services but they seem to be taking a long time to come through. Overheads, for example rose sharply in the first half, *although staff costs* have been contained to a modest 10 per cent increase.

Royal Bank often turns in a better second half. The 7 per cent increase in the dividend gives an 8.4 per cent prospective yield. Some recovery is likely but forecasts which were averaging at £97m have been brought down *to around £78.9m.*

MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1983 High	1983 Low	
F.T. Ind. Ord. Index	694.4	− 0.9	699.0	598.4	Special situations feature
F.T. Gold Mines Index	653.6	+39.9	734.7	531.5	Stock shortage
Bellair Cosmetics	145	−53	210	17	Profit-taking
Bowater	190	+18	200	153	Newsprint price rise
Davenports Brewery	270	−47	317	208	Wolv. & Dudley bid may lapse
Garnar Booth	92	+17	92	60	Annual results
Hawley	165	−16	185	109	£14.89m rights issue
House of Fraser	200	+18	202	150	Harrods demerger sit./bid hopes
ICI	448	−22	490	350	Profit-taking
Johnson Cleaners	300	−33	348	282	Bids for co. vetoed
Mountleigh	210	+42	215	112	USAF leasing agreement
News Int. (Special Div.)	218	+45	233	108	Minority bid from News Corp.
Royl Bank of Scotland	125	−13	141	115	Interim results disappoint
Sabina Inds.	95†	+39	95	13	Canadian drilling report
Sotheybs	440	−70	533	410	U.S. bid referred
Tilling (T.)	211	+21	211	118	Hopes of increased BTR bid
Trident TV A	86	−13	104½	64	*Fears of bid referral*
Trusthouse Forte	179	−14	196	150	Lack of support
Warnford Invs.	330	−49	390	330	Prop, revaluation disappoints

† Price at suspension.

The way the bull bounces

NEW YORK

RICHARD LAMBERT

IT HAS been a week of solid achievement on Wall Street. It didn't start out that way: on Monday, share prices broke sharply, and were helped on *their way down by news that* Morgan Stanley, which has been one of the street's raging bulls, had decided that equity prices had got rather ahead of themselves and were due for a rest period.

In spite of all the scope for profit taking, the Dow Jones industrial average proved distinctly reluctant to go down below the 1200 mark. It bounced around that level on Tuesday morning, and then stated to recover.

One big feature of the week has been the warm glow that continues to come from the bond market. The U.S. Treasury undertook one of its massive *refunding exercises*, and sold $15bn worth of notes and bonds in a three day splurge which ended on Thursday.

The whole thing went swimmingly—and was capped off on Thursday with the sale of a trache of 29¾ year bonds at an average yield of 10.29 per cent that was *down from just* over 11 per cent at the last auction of comparable bonds, which took place in February, and was the lowest yield at such an auction since the spring of 1980.

The market's renewed hopes for a downturn in interest rates was reflected in the utilities sector. Prices there had been flagging through much of March and April, but have recovered smartly in the past week or two.

Elsewhere, there has been much excitement in the transportation sector, with the Dow Jones transportation average climbing by 4 per cent over the week. The airline stocks have been doing better, with the leading carriers starting to report a better trend in passenger volumes and yields. The big stars have been the railroad stocks.

Closely geared to the level of industrial activity, they are expected to be among the early gainers from an economic upturn. Some of the big broking houses have been boosting this idea hard. Goldman Sachs, for instance, recommended Union Pacific this week, while Oppenheimer raised its profit forecasts for Norfolk Southern and CSX.

Their arguments have been supported by this week's batch of economic indicators. Factory orders rose by more than 3 per cent in March, to a level which was 8 per cent above last October's low point.

And spring is at last putting in an appearance at the motor car show rooms. After a lacklustre first quarter, retail sales of domestically manufactured cars rose by around 15 per cent in April compared with a very *poor performance 12 months* earlier.

For companies in general, the first quarter profits reporting season is drawing to a close—but there was a sting in the tail on Wednesday, when Eastman Kodak produced figures which were a lot worse than Wall Street had been expecting.

MONDAY	1204.33	−21.37
TUESDAY	1208.01	+ 3.68
WEDNESDAY	1212.65	+ 4.64
THURSDAY	1219.72	+ 7.07

Running hard and standing still

MINING

GEORGE MILLING STANLEY

THE WORLD'S mining companies have been running hard over the past couple of years, and still going backwards.

Many of the leading groups, especially in the field of base *metals, have reported losses,* some for the first time in their histories, and shareholders have suffered as dividend payments have been pared to the bone in an attempt to conserve strained cash balances.

It now seems that the economies of the major industrialised countries, led by the U.S., *have taken a small turn* for the better, and the benefits of this will flow through to the metal producers in due course.

Consequently, there are one or two signs of optimism around, although no-one is going overboard with enthusiasm. One of the beneficiaries of higher metal prices will be CRA, *the Australian arm of the* London - based international mining and finance house Rio Tinto-Zinc.

CRA's chairman, Sir Roderick Carnegie, told this week's annual meeting in Melbourne that 1983's profits should be comparable with those recorded in 1981—which may still sound like running hard just to stand still, but at least represents an improvement on going backwards.

Last year was definitely a retrograde step for CRA. The group staged a strong recovery to profits in the second half, but this was not sufficient to wipe ou the big losses of the opening half of the year, and CRA duly recorded its first-ever deficit for the full 12 months.

Last year's net loss was A$13.6m (£7.5m), after extra-*ordinary gains of A$3.87m, and* this compared with 1981's attributable profits of A$33.1m after extraordinary gains of A$13.3m.

A recovery to the levels of two years ago is certainly encouraging news, but Sir Roderick also had some stern warnings for anyone who might *be tempted to feel at all complacent* at the latest turn of events.

As usual, his most severe strictures were reserved for Australia's declining competitiveness in world markets. There are two main culprits, in Sir Roderick's view; the country's contentious labour *force, which has led to frequent* disruptions and a "pattern of customers' ships being forced to wait for days" in Australian harbours, and government, both state and Commonwealth.

The latter are responsible for a good proportion of the escalation in operating costs, which makes it increasingly difficult for Australian companies to compete in world markets, the chairman believes.

"Australian costs are out of step with the rest of the world," he said, which means that the country will not benefit as much as it should from the resumption in world economic growth. The immediate outlook is thus "relatively bleak."

The message of some slight optimism, tempered with a large measure of caution, was maintained in Sir Roderick's comments on the Argyle diamond joint venture in Western Australia, in which CRA is *project leader with a stake of* 56.8 per cent.

The chairman acknowledged the historic nature of the first sales of diamonds a week or so ago, but seemed almost disappointed that the price received was "not significantly different" from the average value which had been forecast.

The price received is, of course, to some extent depresed by the sheer size of the parcel on offer — 200,000 carats. Northern Mining, controlled by Bond Corporation through Endeavour Resources, owns just 5 per cent of the joint venture, *but achieved a price for its* stones which was 10 to 15 per cent higher than the quoted average value.

This is partly a function of the small size of Northern's share, and also reflects the fact that these stones go more or less directly to the trade, thus avoiding the handling charges imposed by De Beers' Central Selling Organisation, which buys the bulk of the venture's production.

In fact, this first sale was something of a bonanza for Northern Mining. Apart from the higher price received, the company sold far more diamonds than expected, with significant amounts being drawn from stockpiles.

A figure of 45,000 carats would probably not be very wide of the mark, suggesting proceeds in excess of A$500,000.

CRA has done its best to avoid any problems with what looks like its next big target in the diamond search of the Kimberley region of Western *Australia.*

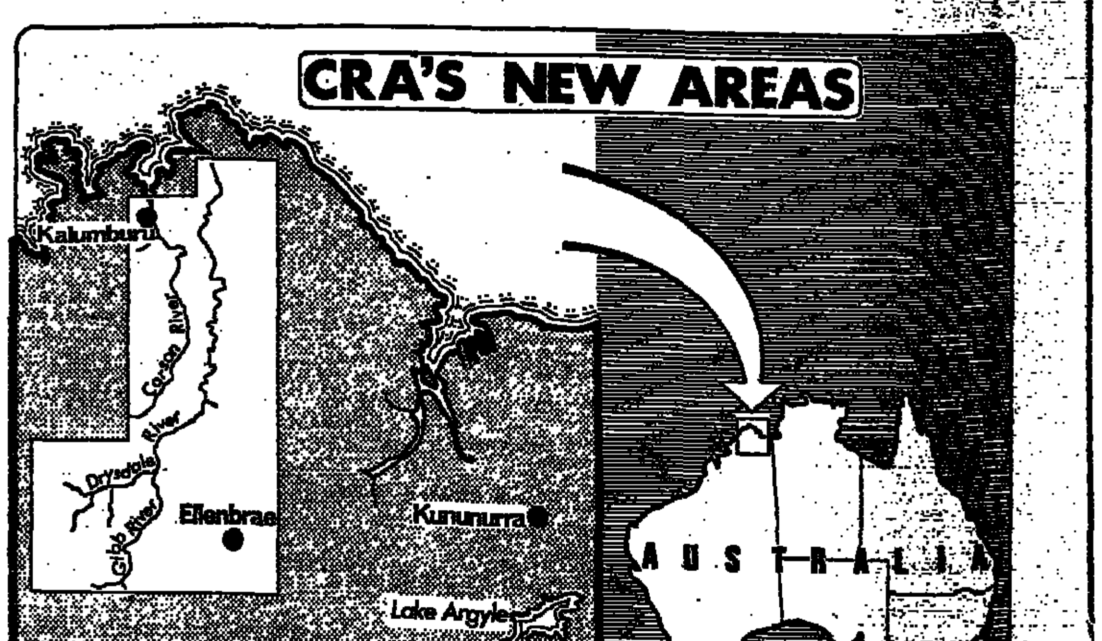
The Argyle discoveries were initially plagued by a claims dispute, until the state government put a stop to things by granting the joint venture exclusive rights. This will not happen with CRA's new area, shown in the accompanying map.

The group has pegged no fewer than 70 exploration licences, covering 13,000 square kilometres or more than 3 per cent of the whole Kimberley district. "Now let's see them peg around that lot," was the comment of one CRA executive.

The group's particular exploration targets within this huge area have not been identified, but the presence of three major watercourses suggests that CRA's geologists have been looking for indicator minerals in stream beds, which are then tracked back to their sources in the hope of finding the kimberlite pipes which provide the primary source of diamonds.

The AK1 pipe, soon to be developed by the Argyle joint venture into the biggest diamond mine the world has ever seen, was discovered in exactly this manner, through indicator minerals in the Smoke and Limestone Creeks.

No-one should read too much into the latest pegging, as it is obvious that the real work of exploration is only just beginning. Nevertheless, CRA must have been reasonably confident to lay out around A$2m for the area in fees and commitments.



U.K. CONVERTIBLE STOCK 7/5/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates⊕	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Income Div▽	Cheap(+) Dear(−)◇ Current
British Land 12pc Cv 2002	9.60	299.00	333.3	80-97	4.0	0.9	5.5	−3 to 8	30.2	82.0	18.3	+12.8
Hanson Trust 9½pc Cv 01-06	81.54	188.00	107.1	85-01	5.2	3.4	−4.1	−6 to 7	117.5	73.0	−22.7	−18.6
Slough Estates 10pc Cv 87-90	5.03	242.50	234.4	78-84	4.2		−3.3	−8 to −0	18.1	9.6	− 3.4	− 0.1
Slough Estates 8pc Cv 91-94	24.72	112.50	97.5	80-89	7.3	6.4	7.8	3 to 12	29.5	35.2	5.4	− 2.4

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ▽ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ⊕ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

FINANCE AND THE FAMILY

Legal positions on garages

BY OUR LEGAL STAFF

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

I live in a small block of nine leasehold flats with a Management Company, to which an annual maintenance charge is paid, set up to maintain the *common parts of the building.* The leases, while indicating a communal interest in the fabric *of the building* and in the upkeep of the common parts do not in any way refer to responsibility for the garages, which are in the usual form in such cases of a row side by side with shared walls. Could you tell me what is the established legal position on this matter?

The position here will depend on the construction of the leases in question. It is thus necessary to examine the terms of the leases of flats and of garages, to examine the plans (if any) attached to the leases and then to arrive at a conclusion based on the language of the "parcels" in the demise effected by the *respective leases.* Each case depends on its own facts, and there can be no "established legal position."

An executor of CGT

I am an executor of my late brother's Will and probate has been obtained. Funds are needed and I can sell some Unit Trusts at a good profit and some shares. I gathered sometime ago that profits on the sale of Unit Trust holdings would not be assessable to CGT on the selling holder because the Unit Trust concerned would be assessable direct on their 'profits.' Is *this the case?*

Also I intend to sell some antique articles but only two of them *will sell for over £3,000* each, bringing the total profit amount with the shares and Units (if assessable) over the £5,000 limit. Can the total auctioneer's charges be apportioned 'capital wise' and deducted from the separate amounts of the two articles which can be sold for over £3,000 each?

Units in authorised unit trusts are nowadays treated just like shares, for CGT purposes, so the chargeable gains on all the investments will simply be the *excess of sale proceeds over* probate (CTT) value.

The answer to your second *question is yes, in principle.* If you have employed the services of a solicitor in obtaining probate, it would be as well to get him or her to check that our answers adequately cover your particular situation. Without knowing the precise facts, we can only make broad generalisations, and CGT is a *highly* complex and arbitrary tax.

A delay in distribution

Uncle X, a widower, lived in Scotland and died in 1975 *leaving a quarter share of his* estate to each of A, B, C, and D subject to a life rent on £3,000 invested in fixed interest stock which was to be paid to his brother Y and his wife Z. This £3,000 was duly set aside and the balance distributed. Y died in 1977 and Z in May 1982. B died in 1979. The lawyers have realised the investment in fixed interest stock and placed the proceeds on deposit with a bank but refuse to distribute the proceeds saying that "as X's Trust is involved with Z's estate they are in touch with the Capital Transfer Office regarding clearance of the funds."

A, B's children, C and D have one-eighth interest in Z's estate each, although this presumably has no bearing on X's estate. Could you say what is a reasonable delay in the distribution of the funds? Will the Capital *Transfer Office not have* cleared funds when the estate was settled originally? Who inherits B's share?

It is impossible to advise with certainty as to the delay in the distribution of funds without being cognisant of the correspondence between your solicitor and the Capital Taxes Office. *It may well be that the amount* of Z's estate is not yet known and clearly she had an interest in possession of the fund under discussion. If the different value in 1982 was in excess of the Capital Transfer Tax threshold then CTT would be payable on that holding. There may well be other complicating factors of which we know nothing which could also delay release of the funds but we would suggest that you inquire *of the solicitor* dealing with the fund to explain fully to you the position.

In short, until the amount of Z's estate is known nothing can be done with the life-rent fund.

Without having sight of X's will it is impossible to answer your third point. If B vested in his share at the date of *death of X* then *B's* beneficiaries would be entitled to his share. However, if he did not vest at the date of death of X, B may not be entitled to divest himself of that share at his own death.

A pension and a student

I refer to the letter and your reply which appeared under the heading "A pension and a student." You advised that the student in question was entitled to effect a personal pension contract approved under ICTA 1970 s226 *in respect* of previous non-pensionable employment.

What would your reply be in the following circumstances: First employment period 18.8.75-28.2.77. Second employ*ment period 1.3.77-31.12.81.* Third and current employment period commenced 1.1.82? The first two employments were originally pensionable but, as an early leaver, the only scheme benefits actually provided were a refund of employees contributions and death-in-service cover. Current employment is *pensionable.* Could a single premium personal pension contract be effected in 1983-84 in respect of earnings from the first two employments?

No; your earnings in the first two employments were not "relevant earnings" as defined in section 226 (9-11) of the Income and Corporation Taxes Act 1970.

The best course open to you is to pay AVCs, if this is permitted by the rules of your *current* employer's pension scheme.

A chimney stack and VAT

Our Victorian cottage has a very tall ornate chimney which *has become unsafe.* We thought of reducing the height of the stack by half and re-capping as before. Obviously, after disturbance, the rest of the chimney remaining will require, possibly, re-pointing etc. My builder has quoted for the work, adding VAT. Is this correct, or could it be classed as alterations and if so, would it be subject to VAT please?

We incline to the view that reducing the height of a chimney is the alteration of a building which qualifies for zero rating. Any work which is done in the *course of the alteration* will also qualify for zero rating. This may well include any re-pointing.

Working after retirement

I retired at the end of May last year but I retained an interest in the negotiations of a major contract and wish to see them through to conclusion. My company has agreed to this on an expenses only basis.

What would the position be as regards tax and my old age pension if on signature of the *contract my company* saw fit to make me an ex gratia payment?

On the bare facts, it seems likely that you will be taxed on the payment received in respect of your services, and will have your NIRP correspondingly reduced.

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	%	Others
Abbey National	6.00	6.25	7.25	7.25	1-year high option
				7.25	6 years sixty plus
				6.75	min. £100, 7 d. not. no int. lost
Aid to Thrift	7.00	7.25	—	—	
Alliance	6.00	6.25	7.25	7.25	3 years Money Monthly £1,000 min. Interest paid monthly
Anglia	6.00	6.25	7.25	7.25	3 yrs., 2 mths.' withdrwl. notice
Birmingham and Bridgwater	6.00	6.25	7.75	7.25	Extra Interest Shares
Bradford and Bingley	5.75	6.25	7.25	7.00	1 m. not. or on dem. (int. pen.)
				7.25	High I. a/c 3 m. not. (no pen.)
Britannia	6.00	6.25	7.25	7.50	Option Bond, 7.25 2 mths.' not.
Cardiff	6.00	7.00	7.75	—	
Cardiff	—	*7.50	—	—	* Share a/c bal. £10,000 & over
Catholic	6.00	6.50	7.50	7.50	6 months' deposit, £500 min.
Century (Edinburgh)	6.50	7.00	—	8.00	2-4 years
Chelsea	6.00	6.25	7.25	7.50	im. wdl. (int. pen.) or 1 m. not.
Cheltenham and Gloucester	6.00	6.25	7.25	—	
Cheltenham and Gloucester	—	7.25	—	—	Gold Account—savings of £1,000 or more. No notice—no penalty
Citizens Regency	6.00	6.50	8.00	7.50	3 yrs. Double Option shs. 7.40
City of London (The)	6.25	6.60	7.50	8.00	£10,000-£30,000, monthly income, 3 months' notice no penalty
Coventry Economic	6.00	6.25	7.50	7.75	4 yrs., 7.50 3 yrs., 7.25 3 mths.
Derbyshire	6.00	6.25	7.50		6.75-7.35 (3 months' notice)
Greenwich	6.00	6.50	7.75	7.75	2 yrs., 7.50 28-day pen./notice
Guardian	6.00	6.50	—	8.25	6 mth., 7.75 3 mth., £1,000 min.
Halifax	6.00	6.25	7.25	7.25	Extra Interest Plus, 3 months' wdl. notice or loss of interest
Heart of England	6.00	6.25	7.50	7.00	1 mth. not., 7.25 flexi. tm. 3 yr.
Hemel Hempstead	6.00	6.25	7.50	7.75	3 yrs., 7.50 3 months
Hendon	6.50	7.25	—	8.00	6 months, 7.75 3 months
Lambeth	6.00	6.50	7.75	8.00	6 mths., 7.75 28 days, 7.25 3 m.
Leamington Spa	6.10	6.35	6.60	—	
Leeds and Holbeck	6.00	6.25	8.00	7.75	5 yrs., 3 mths.' interest penalty
Leeds Permanent	6.00	6.25	7.25	7.25	HRAS, 7.00 E.I. a/c £500 min.
Leicester	6.00	6.25	7.25	7.25	3 yrs., 7.25 3 months
London Grosvenor	6.00	6.75	8.50	7.25	1 mth.'s notice 1 mth. int. pen.
London Permanent	6.00	6.75	—	7.50	1 m. not. or on dem. (int. pen.)
Midshires	6.00	6.25	7.50	7.25	1 year, 3 months' notice no pen.
Mornington	6.80	7.30	—	—	
National Counties	6.25	6.55	7.55	8.00	28 days, 8.25 6 mths., £500 min.
National and Provincial	6.00	6.25	7.25	7.50	3 yrs., 7.25 2 mths., 7.00 1 mth.
Nationwide	6.00	6.25	7.25	7.25	3 yrs., £500 min. imm. wdl. with penalty. Bonus a/c 7.00 £500 min. imm. wdl. with penalty
Newcastle	6.00	6.25	7.50	7.75	4 yrs., 7.25 28 days' notice, or on demand 28 days' int. penalty
New Cross	7.00	7.25	—		7.25-8.25 on share accs., depending on min. balance over 6 months
Northern Rock	6.00	6.25	7.50	7.00	High int. sh. 7.25 Prem. share
Norwich	6.00	6.25	7.50	7.25	3 yrs., 7.00 2 yrs.
Paddington	5.75	6.75	8.25	7.25	7 days' notice
Peckham	6.75	7.00	—	7.50	2 y., 8.00 3 y., 8.50 4 y., 7.25 Bns.
Portman	6.00	6.25	7.75	7.75	2 mths., 7.25 Flexi-Plus
Portsmouth	6.35	6.55	8.05	8.40	5 yrs., 8.00 6 mths., 7.50 1 mth.
Property Owners	6.25	6.75	8.25	8.25	4 yrs., 8.25 6 mths., 7.75 3 mths.
Scarborough	6.00	6.25	7.50	7.25	Money Care + free life ins.
Skipton	6.00	6.25	7.50		7.00-7.15 (1 mth.), 7.25 3 yrs.
Stroud	6.15	6.25	7.50	7.85	3 mths., 7.25 1 m. (no penalty)
Sussex County	6.15	6.40	8.15		6.90-7.90 all with withdrawal option
Sussex Mutual	6.25	6.50	8.00		6.75-8.00
Thrift	6.15	7.15	—	9.15	5 yrs. term. Other accnts. avail.
Town and Country	6.00	6.25	7.50	7.75	3 yrs., 60 days' wdl. notice
				7.50	imm. wdl. 28 days' interest loss
Wessex	6.25	7.30	—	—	
Woolwich	6.00	6.25	7.25	7.25	90 days (int. loss)
				7.25	Special Interest Shares 90 days' not. or imm. wdl. with 90 days' interest loss (min. £500)
				7.00	immed. wdl. 28 days' int. loss
Yorkshire formerly Huddersfield & Bradford and West Yorkshire	6.00	6.25	7.25	7.25	5 Star Bond min. £500, 2 mths.' not. with pen., 7.25 Golden key imm. wdl. 28 days' pen. interest

All these rates are after basic rate tax liability has been settled on behalf of the investor.

Financial Times Saturday May 7 1983

YOUR SAVINGS AND INVESTMENTS—1

You and your money: Rosemary Burr continues her series

How to find an honest broker

IN MANY PEOPLE'S MINDS insurance and investment are in separate categories. However, the boom in unit-linked life assurance and single premium bonds has pushed insurance companies' products firmly into investment territory.

Some of the bigger insurance brokers have decided to go the whole hog and now offer a comprehensive personal financial planning service covering the complete gamut of investments from Granny bonds to complex Capital Transfer Tax schemes.

When choosing an insurance broker it is essential to discover his or her other area of expertise. There is a vast range of insurance and investment products and not all brokers are well versed right across the board.

Do make sure the individual or company you are dealing with is a registered insurance broker. By law, individuals and companies may only call themselves insurance brokers if they are registered and comply with the requirements of the Insurance Brokers Registration Council.

There is no single way to qualify as an insurance broker and as yet no specific professional examination. For example, someone with five years' experience of insurance broking in this country would qualify.

Although a so-called insurance or tax consultant may be equally efficient, by dealing with a registered insurance broker you know that in case of difficulty you can complain to the Insurance Brokers Registration Council. Also by law, insurance brokers are required to take out professional indemnity insurance which means clients will be reimbursed in cases of negligence or fraud.

In addition, insurance brokers who advise on unit trusts must now become licensed dealers. Under the new licensed dealer rules investment advisers are for the first time required to give advice which is specifically tailored to the needs of their clients. Although it is unclear how this will be enforced, on paper it further strengthens the client's hand.

The British Insurance Brokers Association has been trying to convince the Department of Trade that insurance brokers should be exempt from having to apply to become licensed dealers in securities. But their efforts have met with no success. So do remember to ask a broker who is giving you general financial advice whether he or she is a licensed dealer in securities.

Generally speaking, insurance brokers do not charge directly for their advice, but earn commissions on the products they sell. You should ask the broker how much commission he or she will be earning as a result of your business.

Obviously this raises the question in most people's minds of whether the insurance broker is giving unbiased advice or merely suggesting the products which will yield him the most commission. By law insurance brokers must prove each year that they are not unduly dependent on one company for their earnings and must answer several questions designed to show they are using a wide range of companies. These strictures go some way to ensuring the public gets a fair deal.

If you think the quality of advice your are receiving is not up to scratch, it is best to shop around for several quotes. The range of products available is growing fast, so it is essential that you deal with someone who is up-to-date

● **Noble Lowndes**

The company offers a wide range of personal financial planning services with the exception of discretionary portfolio management and general (ie non-life) insurance policies. It is part of the Hill Samuel Group. Its head office is in Croydon and it has 18 branches.

Advice on mortgages, school fees and pensions is available. In addition a review of a customer's personal financial affairs, including tax aspects, is offered. Clients who are keen on equity investments will be introduced to a stockbroker or merchant bank.

The company is not tied to Hill Samuel and will recommend the unit trust services of several groups, including Gartmore and Henderson.

The first exploratory meeting is free. The company normally takes commissions but will discuss doing the work on a fee basis if this is preferred. For advice which does not produce commissions, it will charge somewhere between £30 and £45 per hour on average.

● **Godwins**

Headquartered in Farnborough, the company has 15 branches. It specialises in pre-retirement counselling for everyone from the shopfloor to the boardroom. It runs courses on coping with retirement and provides speakers who will talk about the financial, tax and investment repercussions.

In addition it will provide a complete overhaul of an individual's investments, giving advice on everything from Government stocks through to specialised tax efficient products.

Normally the company works on a commission basis. However if it is called on to advise a group of employees it will charge their employer a fee and then rebate any commission earned as a result of the talk.

● **Richard Longstaff**

Has offices in London, Bristol and Glasgow. The company says it offers a complete range of financial services. It is particularly strong on the unit trust side with nearly £15m under management.

It will provide help on the following: capital transfer tax; life insurance; school fees and mortgages; self-employed pension schemes; pension schemes for directors and company executives; self-administered pension schemes; unit trust dealing service and portfolio management.

A trust discretionary service tailored to individual needs with the investment decisions delegated to Richard Longstaff will cost £20 payable half-yearly in advance. For those who wish to make their own decisions there is a consultancy service which costs £30 payable half yearly in advance.

There is also a dealing service which costs £28.50 annually in advance which inclues the dispatch of a monthly newsletter.

● **Towry Law**

Provides a range of financial services including advice on: unit trusts; retirement planning; Capital Transfer Tax and providing a regular income from a capital sum.

The company runs both retirement counselling in conjunction with Legal and General and a financial retirement planning service. It also offers a consultative unit trust service, which is "free" as the company will earn commissions when clients deal.

It calls upon a wide range of other professionals before giving specific investment advice on equities but ultimately dispenses its own "house" view.

Clients wishing to opt for a discretionary unit trust service wil be recommended to use the Hoare Govett service. The minimum investment is £6,000 and the fee is ½ per cent per annum.

● **Hayman, Jackson and Co.**

A small Hampshire broker with a staff of 14 and a branch in Surrey. The company gives advice on all classes of insurance as well as mortgage and finance business connected with insurance. No fees are charged unless the mortgage/financial advice does not have an insurance component.

● **P and G Bland**

Another small company, based in Leicester with a Cardiff branch. The company will give advice on all classes of insurance, pensions and tax efficient schemes.

● **Brokdale, Brealey Insurance Brokers**

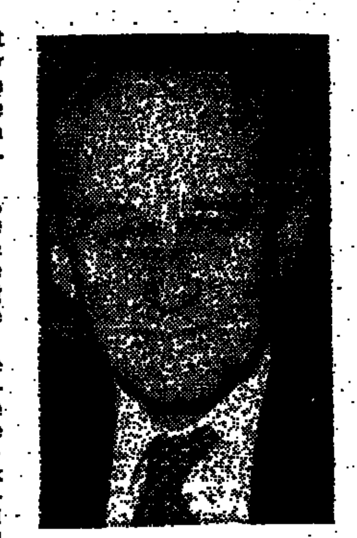
Particularly keen on doing pension business and will also give advice on household insurance and mortgage market, although it is not a mortgage broker. These brokers are based in Hertfordshire.

Mousehole saga comes to an end

THE GOVERNMENT has at last moved against the highly tax efficient Capital and Income Bond marketed by certain life companies, thus bringing to an end our tale of the two mouseholes.

Last Friday, Nicholas Ridley, Financial Secretary to the Treasury, announced that a clause would be added to the current Finance Bill, reducing the tax efficiency of these bonds.

A year ago, a number of life companies outside the establishment (as represented by the Life Offices Association and the Associated Scottish Life Offices) were marketing two highly tax efficient life bonds—the secondhand bond and the Capital and Income Bond. Both bonds relied on a high degree of artificiality either in construction or in the method of selling.



Nicholas Ridley

The Government moved against secondhand bonds last June, though the legislation implementing this was not introduced until the current Finance Bill. At that time, however, it ignored the Capital and Income bond, despite reminders from the Associations, and the Chancellor remained silent in the March Budget. An article in these columns compared this action to that of a householder stopping up one mousehole but leaving the other open. Like mice using the second hole, life companies previously marketing secondhand bonds switched to Capital and Income Bonds.

Now, belatedly the Government has ended the tax advantages of these bonds, thus bringing our tale of two mouseholes to an end. And this time, civil servants have not repeated the confusion that surrounded their efforts to clamp down on secondhand bonds. The proposals will apply as from last Saturday, April 30 and there is no retrospection in this ruling. But the proposals will also apply to additional payments made on existing bonds.

The saga also ends because there are no other mouseholes in existence. There is no other similarly tax efficient life bond on the market at present.

But just as mice will seek to find another hole, so the life companies marketing these bonds will seek to devise new schemes. The companies, almost all of them newly formed, need a steady flow of single premium business to support their annual premium business.

Otherwise they lose out on the taxation of life funds, thus putting a strain on capital. Trevor Wey of Skandia Life, who designed the Capital and Income Bond, said that his company and others like it would need to look closely again at current tax legislation and the current climate of opinion in deciding their next moves. Nothing is likely to appear for some months.

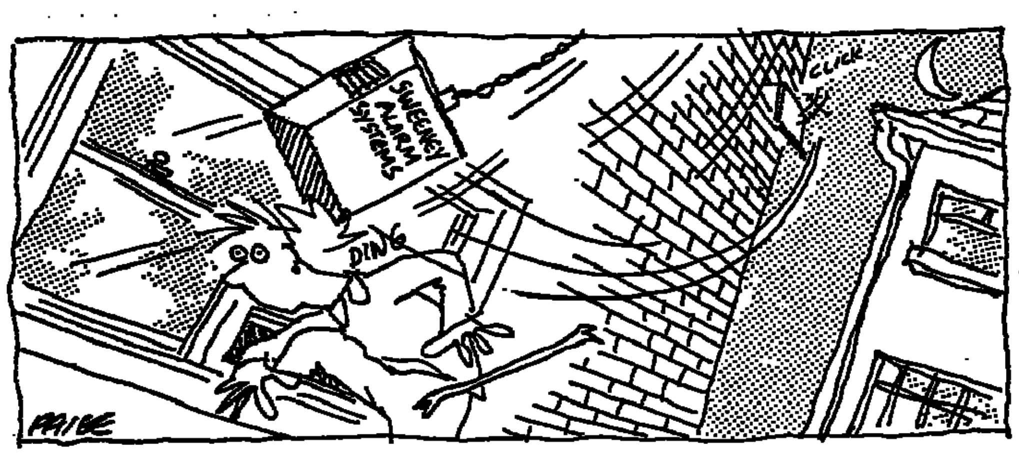
But just as mice eventually gnaw through to form another mousehole, so life companies will devise a tax efficient lump sum savings plan.

Eric Short

YOUR SAVINGS AND INVESTMENTS—2

Eric Short on the cheapest way to insure your house

How to make it home-sweet-home



INSURANCE companies last year paid out a record £234m on theft claims of which £138m related to thefts from private residences—27 per cent more than in 1981.

In the face of such rising costs, the natural reaction of insurance companies is to increase their premium rates for home contents insurance. Over the past five years, most insurance companies have completely revised their rates with massive premium increases in the high risk areas—for example Hampstead and Golders Green in London.

Now Stan Blake, Commercial Union's chief underwriting executive and chairman of the British Insurance Association's crime prevention panel, warns of further premium increases by insurance companies unless this rising trend in claims is halted.

The rising crime wave is one of the major social problems facing this country. Crime prevention is now a leading growth industry—offering the public, as well as companies and businesses, a variety of security devices from the sophisticated burglar alarm systems to simple security locks that can be fitted by any competent DIY handyman.

Insurance companies are continually exhorting householders to take precautions against intruders, but Victor Green, a publisher, wants insurance companies to be much more positive.

At a recent Home Security Exhibition he organised, Mr Green called on insurance companies to give householders a 20 per cent discount on their insurance premiums, provided they fitted security locks and devices on windows and doors.

With such a discount, householders could recover the cost of buying and installing these locks in less than three years.

But Victor Green argues that by encouraging householders to take these simple precautions, the insurance companies will reduce their claim payments sufficiently to cover the reduction in premium income.

He points out that 90 per cent of break-ins are done by teenaged opportunists, seeking an easy entry in houses and grabbing items such as cash, jewellery, transistors and easily carried and easily disposable items. Such opportunists he claims are deterred by locks that make it difficult to break-in without carrying a number of tools.

Insurance companies up to now have been resolutely against such discounts. They have argued that the biggest security risk is the human factor, such as forgetting to lock doors.

In houses where the contents are valuable and an alarm system has to be installed in order to get insurance, the insurance company usually imposes a warranty that the alarm system has to be switched on and in working order at all times before the company is at risk.

But there are signs that this attitude is changing, at least outside the major insurance companies. Economic Insurance has linked up with Hoover protections systems offering a 12 per cent discount if anti-theft devices are installed and 15 per cent if in addition fire warning devices are installed as well.

Then on March 1. Cornhill Insurance linked up with Chubb Home Protection in offering a scale of premium reductions for the fitting of security devices.

1—Alarm protection system fitted—discount 15 per cent.

2—Alarm protection system plus smoke detectors, extinguisher and fire blanket—17½ per cent.

3—Alarm protection system, fire protection as above plus security locks on external doors and windows fitted by Chubb—20 per cent.

4—Security locks plus fire protection—5 per cent.

The householder receives a certificate from Chubb for the installation and then qualifies for the appropriate discount.

So Cornhill is gone a little way towards the demands by Victor Green with its 5 per cent discount on locks and fire protection, but for the 20 per cent asked for by him, the householders have to have very comprehensive protection.

Indeed, the 20 per cent discount called for by Victor Green may be unrealistically high. The household content insurance premium is split roughly into 35 per cent for the theft risk, 35 per cent for the others perils and 30 per cent for commission. Small thefts by opportunists may account for 90 per cent of theft claims by numbers, but by the amount paid out by insurance companies the proportion is much lower.

A more positive method of encouragement would be to offer a no claims discount on the lines of the scheme operated by Eagle Star. Here the householder has a premium-free year every sixth year provided he has not made a claim in the previous five years. If he makes a claim the counting period for the bonus starts again.

This scheme will encourage householders to avoid making small claims, which are costly to administer, and thus they will fit security locks to keep out the opportunist; while the insurance company receives the initial premiums necessary to build up the reserves. The table shows how the scheme works with an effective discount approaching the 20 per cent.

Yet Eagle Star is the only major insurance company to offer such a bonus scheme on household insurance. The other companies seem very reluctant to introduce it, even though No Claims Discount on motor insurance is widely accepted.

Year	Index-Linked Sum insured £	Eagle Star Premium £	Other Insurance Premium £
1978	10.700	37.45	37.45
1979	11,500	40.25	40.25
1980	13.200	46.20	46.20
1981	14,200	49.70	49.70
1982	14,700	51.45	51.45
1983	15,000	free	52.50
		225.05	277.55

Clive Wolman reports on another investment scandal

Mr Hunt's vanishing trick

KEITH HUNT, the Warwick investment manager who disappeared three weeks ago leaving about £11m of his clients' money unaccounted for, frequently called in the press for tighter controls to be imposed on commodity fund and other investment managers to protect the private client.

But his 2.000 clients may now regret that in his own business he never introduced a genuine separation of client money from the money used by his companies for trading.

Hunt introduced a separate account for his clients at the National Westminster bank. But he often withdrew the money deposited in the account often after only a few days.

The accounts examined by his senior staff after his disappearance show that the money was then passed between his chief investment company and his network of dealing companies. The routes taken were so complex that it is now doubtful whether his clients will be able to trace their own investments and thus to claim priority over trade creditors and, more importantly, the Inland Revenue, if and when Mr Hunt's major companies are put into liquidation and their assets shared out.

A variety of more effective methods of separation have been worked out to protect the money put in by clients to smaller and less well-established funds, like Hunt's. One method is to ensure that all the client's money is held in a trust account, overseen by trustees who make payments only when required. But watch out, if some of the trustees happen to be managers of the fund as well.

A more complex method, used by the City-based commodity investment fund, Bede Securities, is to have a link-up with a major clearing bank. The bank holds the clients' money in its account and pays out a regular management fee to the fund manager and any sums required by the fund's brokers if the fund records a loss on a market transaction. When a profit is made, the broker puts the money directly into the bank account.

Since Hunt's disappearance, no contract notes or records of dealing with commodity brokers have been discovered which correspond with the transactions he claimed to have made in his monthly client statements. The statements never gave details of the exchanges on which Mr Hunt's positions were opened and closed, nor of the relevant contract numbers.

A request for information of this nature should always be made to a fund manager. But Bede Securities has gone one stage further in recent months by arranging for their monthly client statements to be audited and signed, not by their regular auditors but by an outside firm of accountants.

Such scrutiny inevitably adds to management costs but at least, if there has been major fraud or negligence, clients should be able to recover full compensation from the auditors or their insurance companies.

Hunt's disappearance has inevitably given impetus to his own arguments for regulating the commodity markets more strictly. Commodity dealers have recently been exempted from the provisions of the 1979 Banking Act which would have required them to obtain licences as deposit-takers.

New regulations, which came into force 11 days ago, require commodity brokers without licences to be members of at least one of the major UK futures exchanges which are supposed to enforce their own regulations.

However, the regulations will be difficult to police and are littered with loopholes. For example, Hunt himself, for tax avoidance reasons, used to manage one part of his funds in such a way as to allow clients to place bets on price movements in futures markets rather than by opening positions in the futures markets themselves. None of these regulations extend to deposit-takers purporting to be bookmakers with whom bets are placed.

Hunt's activities last autumn, when he was seeking to expand his range of financial services at break-neck speed, also indicate the ease with which it is possible to by-pass the regulations requiring a licence for dealers in securities such as shares. Hunt did not wish to go through the lengthy process of applying for a dealer's licence. His companies would have been exposed to the scrutiny of the Department of Trade whose investigations have recently become more thorough.

Instead he advertised for and acquired the ownership of three companies which already had dealer's licences but which had been dormant until the takeover. Hunt then changed the names of the companies to fit in with his corporate scheme.

The individual members of his staff were also required to obtain Department of Trade licences as representatives before they could deal with members of the public. All the members of staff applied for licences but the process of approval can take six months or more. In the meantime, the Hunt companies employed an outside licence dealer as a consultant. He would come into the offices on most days to sign all the necessary letters and then leave.

The new and stricter regulations on the licensing of dealers in securities, which are due to come into force on June 1, will not close the loopholes Hunt exploited. By contrast, Hunt's attempt to take over a licensed *deposit-taker* last autumn as a means of setting up his own bank was aborted partly because it was discovered that the Bank of England would investigate the company following any change of ownership. Perhaps there is a lesson to be drawn there by the Department of Trade.

CONTRACTS AND TENDERS

Financial Times Saturday May 7 1983

YOUR SAVINGS AND INVESTMENTS—3

Alison Hogan looks at the latest offer from National Savings

Filling the gap left by Granny

NATIONAL SAVINGS brought down the minimum investment level of its income bond to £2,000 from £5,000 on Tuesday in a bid to widen its appeal and draw in more funds.

The monthly income bond has been a great success since it was first introduced last August with sales now running around the £950m mark. National Savings hopes this latest move will push it well over the £1bn mark to become one of its best-selling products.

The Government has set National Savings a target of £3bn for this fiscal year, the same as last year. In previous years Granny Bonds proved to be the great success story but with inflation down to around 4.5 per cent the index-linked National Savings certificates, still called Granny bonds though available to mums, dads and kids too, have lost some of their attraction.

The income bond, the first such bond from National Savings, is helping to fill the gap. It provides a capital investment for people who need a regular income. The bond has a life of 10 years and income is paid gross on the fifth of each month.

Payments can be made by cheque or straight into a bank account. The capital is repaid at the end of ten years, or on death, intact, but with no top up for any inflationary erosion the real value of the initial investment during the period.

*The lack of explanation of the effects of inflation on the invest*ment in National Savings advertisements caused some concern. Inded, the deputy president of the Institute of Chartered Accountants in England and Wales, Mr David Cormie, wrote a letter to the Financial Times describing the advertisement as "little short of scandalous."

Mr Cormie said the advertisement failed to point out that at current rates of inflation "approximately *half* of *that* money is a return of capital, and that in ten years' times, the guaranteed life of the bond, a rate of inflation of even 5 per cent will have effectively reduced the real value of the bond drastically."

Stuart Gilbert, the Director of The Savings Department for National Savings, defended the advertisement. He says that the only investments guaranteed to be proof against the effects of inflation are index — -linked securities, "and even some of these are subject to market vagaries which mean you cannot be sure what you would get if you needed repayment before redemption."

Mr Gilbert also makes the point that after seven or eight years of press coverage of Granny Bonds, there is no reason why an investor should imagine that an investment is proof against inflation—unless *index linked*.

So readers who are contemplating investing in the National Savings Income Bond, please note, it is not inflation proof—but it is still worth considering, especially if you pay no tax or are a basic rate taxpayer.

The interest rate for the income bond is 11 per cent gross, 7.7 per cent if you pay the basic tax of 30 per cent. That compares favourably with interest rates on other investments in banks and building societies presently—a change from the situation when the bond was first launched in August.

An advantage for investors who choose the income bond is that in a period of declining interest rates, the National Savings tends to be slow in bringing its interest rates in line with other financial institutions. That delay means a better yield for investors.

Yield is not the only factor in deciding on an investment which might last for ten years. There is a severe penalty for early withdrawal in the first twelve months of making the *investment. On three months* notice no interest will be paid, and on six months notice, only half the interest accrued will be paid.

From then on the penalties are much reduced. Investors who give six months notice get all their interest, but if they only give three months notice, then they will receive no interest for the period from notification to final withdrawal.

The income bond is particularly attractive to people in retirement whose sole income is their state pension. A single person in receipt of the age allowance of £2,360 can invest £5,000 in income bonds and receive 11 per cent interest. A married couple living on the state pension with their age allowance of £3,755 can invest £8,000 in income bonds without incurring any tax liability, thereby earning the full 11 per cent interest.

COMPARISON INTEREST RATES

Product	nil per cent tax	30 per cent tax
Building society ordinary rate	6¼	6¼
Building society monthly income	7½	7¼
Banks deposit	6¾	4.7
National Savings Income bonds	11	7.7
Investment account	10½	7.35
Savings certificate* 23rd issue	10.73	7.5

* Compound over five years

Barry Riley on the great retirement debate

Now, the Good Pensions Guide

MAURICE OLDFIELD'S 18th birthday on July 5, 1948, fell on exactly the same day that all employees of 18 or over first became compelled to pay National Insurance contributions. At the time he felt a bit sore about it. But Oldfield was soon embarked on a 30-year career as a pensions manager and since he is now chairman of the National Association of Pension Funds, he seems not, in the end, to have done too badly out of the *era of enhanced social security.*

Certainly the period since the war has seen a remarkable expansion of compulsory occupational pension schemes (though there is now more inclination on the part of politicians and the public to question whether employers should be able to force their workers to poin a particular company scheme).

Growth in membership has not, however, generally led to much greater knowledge of how pension schemes work. Now Maurice Oldfield, who is group pensions executive at the Allied-Lyons brewing and food manufacturing group, has attempted to lift some of the veils draped over the subject by writing a book aimed at the ordinary pen*sion scheme member.*

In one sense he is succesful. It is a simply written volume, clearly setting out the nuts and bolts of the pensions business. It shows, as if it were necessary, that Oldfield knows *everything* that there is to know about running pension schemes.

Yet the book fails to live up fully to its title of "Understanding Pension Schemes." *There is a lot about how, but* not much about why. Less than two pages are devoted to what the actuary does, so the reader is unlikely to understand the reasons for the problems which have caught up with many pension schemes in a mobile and inflationary period. He will not be helped to understand why entirely different approaches to the provision of pensions are taken in other countries.

Perhaps it is unfair to criticise the book for failing to achieve something which it does not really attempt to do. However, Oldfield does refer in several places (including a final chapter on current issues) to some of the more controversial aspects of pension schemes.

No doubt he will be defending the pensions industry in his typically combative style when he takes the rostrum at the NAPF annual conference which is taking place at Brighton this weekend. But in his book, he is sometimes content to take a more low-key approach to subjects like the problem of early leavers.

He accepts that the position of the employee who changes jobs is "not entirely satisfactory," and offers the explanation that pension funds were designed at a time when "the employee who changed jobs at all was regarded with some suspicion; he lacked stability, loyalty; he was an altogether doubtful quantity."

As a result, not only are job changers badly done by in a financial sense, but a bureaucratic nightmare could be created. Oldfield discusses the possibility of a tangle of up to 50m different deferred pensions. He concludes that whether or not it would be desirable to have a central fund for early leavers (as he has suggested elsewhere) it is "almost vital to have a central clearing house for payments."

In his closing chapter, he deals in forthright fashion with a number of major problems facing the pensions industry. He criticises the Scott Committee's views on index-linked pensions, defends the freedom of investment of pension funds against the threats of the TUC, and dismisses the idea that there is any need for a Pensions Act.

But apart from such broad issues, the book is also valuable for the insights it gives into the day-to-day problems of the pensions manager. For example it appears that the age of a new scheme member is not always easy to establish.

One entrant, Maurice Oldfield recalls, presented a document elegantly inscribed in sanscrit, complete with an infant footprint. Another produced a letter from a Mother Superior giving the year in which, as a baby, he had been found on the steps of a convent.

Understanding Pension Schemes, by Maurice Oldfield. Fourmat Publishing. £7.95.

YOUR SAVINGS AND INVESTMENTS—4

As good as gold

IF YOU are looking for a monthly income but want to be able to get your hands on your money quickly then a new account launched this week by Cheltenham and Golucester Building Society may fill the bill.

The Cheltenham Gold monthly interst account is for savers with £5,000 or more. The current rate of interest is 1 per cent above the building society ordinary rate at 7.25 per cent net of basic tax, which is equivalent to 10.36 per cent gross.

Interest will either be paid monthly or it can be rolled up and paid annually. Depositors who opt to take a single interest payment each year will receive an effective rate of 7.5 net of basic tax, which is equivalent to 10.71 per cent gross.

There is no notice period nor penalties for immediate access. Money can be paid in and out frequently, provided the £5,000 floor is not breached.

While a couple of building societies do offer a slightly higher rate on monthly accounts they do not allow savers to have immediate access.

Cheltenham and Gloucester also offer one of the best deals around for people with more than £1,000 looking for a home for this money. The C&G gold account pays 1 per cent over basic rate, ie 7.25 per cent net of standard rate tax. However do remember this is paid annually. There is no notice period.

The C&G gold account, first launched in early 1981, has attracted more than £1bn. It clearly hit the target as savers like to be able to have access to their money at short notice.

Both accounts are available through the post. Anyone interested should write to Cheltenham and Gloucester Building Society, Freepost, Cheltenham, GL53 7PW. Applicants will receive an account card, paying in and withdrawal slips and first class prepaid envelopes for correspondence.

Rosemary Burr

The American way

YET ANOTHER investment management house decided to throw its cap into the unit trust ring. The latest entrant aiming to make an attack on the unit trust market is the privately owned John Govett, one of the top 10 investment trust managers.

John Govett manages £650m but the bulk of this sum is invested in the group's stable of investment trusts. About £250m is in pension funds, and three exempt trusts. Two existing authorised unit trusts have been little promoted.

The company considered shopping around for a unit trust group but said the market had been pretty "well combed." Also, John Govett was not keen to take on more staff, but does say it does not rule out acquisitions at a later stage.

For the moment the plan is to extend its range of unit trusts starting with the launch of a handful over the next two years. The first of the spring crop is an American Fund which will be followed in three weeks' time by a Japan Fund.

Govett is not a proponent of on-the-spot investment advice and prefers to centralise its small group of 40 staff in London. Frequent travels abroad and close contact with foreign brokers are methods used to keep the company in touch with world markets.

As to whether there are too *many unit trusts, Bill Govett*, the chairman, admits he sees some rationalisation ahead for the industry. However he is *optimistic about the industry's* growth prospects: "If portable pensions become law, there will be a lot more money for the unit trust movement," he argues.

R.B.

Broome Park

Our 'Enery v the tax man

BOXING CHAMPION Henry Cooper may have retired from the ring but his latest venture has already been sparring with the tax man. The company concerned, Gulf Leisure International Properties Corporation, decided not to go the distance and went offshore.

But investors who decide to *indulge themselves in what is* a different approach to time share holidays, must prepare themselves for a few rounds over tax *liability*.

The company is trying to raise up to £5.6m cash by selling shares to the public at £1.33 each. This money it will use to buy freeholds on time share interests in properties in some of the world's leading resorts. *As a result it hopes to be able* to give shareholders the benefits of what might be best described as bulk buy time *sharing discounts*.

The intention is not to make a profit in the normal sense of the word—though there will be gains from selling unallocated holiday weeks—and most "dividends" will be paid in the form of the cut cost holidays of one's choice.

The venture is the brainchild of the Gulf Leisure group of companies, part of Gulf Shipping.

It has so far issued 750,000 shares as a payment for 300 weeks in developments at Marbella, Spain, and the Portuguese Algarve. It also holds a number of options on weeks at other resorts including Gulf Leisure group's own development at Broome Park near Canterbury.

In outline it all sounds just a lot of fun, with shareholders pooling resources to buy the best deal going on luxury holidays *often* with a golfing emphasis. Entitlement to a particular resort in a particular week of the year will be related *to a rising scale of minimum* shareholdings starting at 100. There will be even a right to "bonus holidays" at those times not taken up by other shareholders. There is also a plan to enable shareholders to dispose of their holdings in a market made by Chartwell Securities.

But it will not all be sun, sea and golf. For a start there are the maintenance costs of the properties involved, administrative expenses, and directors' fees. Currently there are two directors, David Ingham and Alan Taylor, with £20,000 a year service agreements. Including Henry Cooper, who is an active golfing holiday shareholder and puts his name behind the publicity, there are four non-executive directors who will be entitled to fees.

These and other costs, however, should be covered by the 15 to 20 per cent premium on the basic booking fees, and incidental holiday sales.

The real question marks lie over the attitude of the Inland Revenue. When Gulf's founders discussed their plans with the tax men it appeared that it may have to pay advance corporation tax on dividends of all types. While a certain element of these dividends would be in cash to shareholders who did not take up their holiday quota—from monies raised by selling the holidays elsewhere—most will be in the form of holidays.

The tax authorities, who are not known for their creative thinking, indicated that the "holiday dividends" would be valued at the open market price including the part paid by the shareholders themselves!

The company, not surprisingly, has registered itself in Panama. While this dodges the corporation tax headache, the tax question is now passed on to the shareholders.

The prospect looms of tax returns under the section concerning dividend and interest income, reading: ". . . and two weeks in Florida and three days in the airport lounge."

The straightforward view would be that the difference between the full cost and the discounted cost of a holiday is the taxable element. But the administrative problems this would create make a truly equitable approach look unlikely.

In other words it is going to take some well trained investors to sign up for a few bouts with the tax man before anyone really knows what type of knock out punch he will deliver.

Christopher Cameron-Jones

Financial Times Saturday May 7 1983

PROPERTY

It is not the end of it all

BY JUNE FIELD

"YOUR APPOINTMENTS are for Faradic, G.5, and Cabinet," said Bristol builder Stephen Smith, indicating that I was booked for message, muscle-toning and steam bath.

A strange recipe for a property visit? Not when one is inspecting newly built apartments at Cedar Falls, a 40-acre estate outside the village of Bishop's Lydeard near Taunton, close to the Quantock Hills; here a Georgian mansion, recently restored, incorporates a health farm, and is part of the complex.

I stayed at the handsome, locally quarried red sandstone house in the room they said was Sir Winston Churchill's favourite when he visited there as a young man. The treatment rooms are in the old vaulted cellars, there is a billiard table in the old organ-room where one exercises to canned jazz, and dining is in the panelled hunting-room.

The whole place used to be the home of the Boles family, motto *Ut Tibi Sic Alteri*, roughly translated as Do Unto Others As Others Would To You. The Ray Smith Group (Raymond, 52, and his two sons, Stephen, 28, and Richard, 25), now own it, and have spent some £1¾m remaking the house to much of its former splendour, financed in part by the Hill Samuel Bank in Bristol. Dereliction and vandalism had reduced the house to a sorry state.

The adjacent block of apartments are effectively maintenance-free in finish, and pleasing *in design, although perhaps* they could have been matched in a little better with the mansion. Major bonus for buying one of the units (one bedroom, £44,900 to £79,500 for a three bedroom, two bathroom penthouse, all with big terraces and fully equipped kitchens), is free membership of the health club for a year: thereafter it is currently a special annual rate of £150 for a couple.

You do not have to take the treatments. The main advantages of membership include the golf, tennis, fishing, and swimming, plus a hair and beauty salon, and, to come, a full-scale restaurant and bar.

Brochure illustrating the amenities, with sketch plans of the flats and how to view with a special-price sampling of the health farm, from Stephen Smith, Ray Smith Group, Patchway Roundabout, Patchway, Bristol. To encourage sales in the early stages, the group are prepared to consider part-exchange on an existing home, and provide carpeting in the basic price. Serious enquirers can have a copy of the lease to see if the conditions are satisfactory.

The Cedar Falls flats are planned to appeal to the elderly—the 99-year lease restricts the occupation by children under 12 years-old to limited visits, and pets are allowed under a licence which can be revoked.

The apartments are also attracting middle-aged people. Of the first 10 built out of the planned 47, one is already occupied by the widow of a Battle of Britain pilot, and there are serious enquiries from professional people wanting to improve their quality of life.

One busy couple I met at the show apartment thought it could make an ideal second-home where they could relax by the peace and quiet of the lawns and lakes, or join in sporting life if they wanted. The management fee, from £600 to £1,200 a year depending on the size of the apartment, includes the provision of a video monitor system which connects with the main house, where a doctor or nurse can be called in case of emergency. Or if you do not fel like cooking a meal, one can be brought along from the restaurant when the service really gets under way.

● New apartments linked to a Georgian mansion health farm, Cedar Falls, 40-acre estate at Bishops Lydeard, near Taunton, Somerset, about an hour from Bristol by the M.5. Prices are: from £44,900 for a 99-year lease of a 1-bedroom unit to £79,500 for a 3 bedroom, 2 bathroom penthouse apartment. Details Stephen Smith, Ray Smith Group, Patchway Roundabout, Patchway, Bristol BS12 5PS (0727) 694338).

This in the main is what most projects being marketed as retirement homes should be all about. One appreciates that not everyone can afford the higher capital outlay and service charges of places with such amenities but it is the kind of spirit that needs to be fostered generally.

A colleague, observing a photograph on my desk of what were described as "the old" (dreadful epithet), sitting in a communal lounge in the latest sheltered homes, waiting to be entertained, commented: "It puts years on me. I am near retirement, but regard it merely as finishing one job to pursue all the other things I have never really had the time for before. Going into my next phase I call it."

To the French, retirement is *Le Troisième Age*, the third age, well before that of absolute dependency, the fourth age. *Le Troisième Age* is for living, for travel, for using the French universities and other national facilities. (Those interested in supporting the provision of similar facilities in the UK, can contact the Forum for the Rights of the Elderly to Education, Bernard Sunley House, 60, Pitcairn Road, Mitchum, Surrey, who issue free information and *advice.*)

CHESS

LEONARD BARDEN

WHEN a chess grandmaster packs for an overseas tournament, one essential item in his luggage is the research publication *Informator*, a six-monthly digest of current games arranged in order of openings. If you have never seen a copy, *Informator* is a real eye-opener to the massive amount of research aimed at new finesses and new attacking plans to win major championships. Its 700-odd games are analysed by the leading players of the day from Karpov and Korchnoi downwards and the comments are in the form of languageless symbols with figurines for the pieces.

The explanatory key to the symbols is written in English, French, Serbo-Croat, Spanish, Swedish, Chinese, Italian and Russian. Besides the main body of games, there is a survey of interesting tactical finishes and endgames, current tournament results, and news from the World Chess Federation (FIDE).

The objectivity and authority of *Informator* carries its own dangers, as in last week's game where Murray Chandler defeated a Russian GM through improving on the latter's published *Informator* analysis.

The latest issue, just published at £11.95 post free and available in Britain from Chess, Sutton Coldfield, Warwickshire or from British Chess Magazine, 9 Market Street, St Leonards, East Sussex, covers events from the second half of 1982 and takes in the Lucerne chess olympics and the world title interzonals.

World champion Anatoly Karpov has just overcome the latest danger to his supremacy—a poor start in the jubilee 50th USSR championship—and his first prize at Moscow should safeguard his No 1 position in the international rankings. *Informator* quotes this Karpov win which demonstrates the small but definite gap in class between Britain's leading GMs and the world top.

White: A. Karpov (USSR). Black: J. D. M. Nunn (England). Opening: Pirc Defence (Tilburg 1982).

1	P-K4	P-Q3
2	P-Q4	N-KB3
3	N-QB3	P-KN3
4	N-B3	B-N2
5	B-K2	O-O
6	O-O	B-N5
7	B-K3	QN-Q2?

Nunn clearly avoided the normal 7...N-B3 because of 8 Q-Q2, P-K4; 9 P-Q5, N-K2; 10 QR-Q1, a Karpov speciality. But in the latest USSR championship Karpov's only defeat came when a young master, Azmaiparashvili, sprung the prepared improvement 10... P-QN4! 11 P-QR3, P-QR4; 12 P-QN4, PxP; 13 PxP, R-R6! with clear black initiative.

8	P-KR3	BxN
9	BxB	P-K4
10	P-KN3	P-B3
11	B-N2	Q-R4
12	Q-Q2	KR-K1
13	QR-Q1	P-QN4
14	P-QR3	N-N3
15	P-N3!	KN-Q2

If 15...QxRP; 16 NxNP! PxN; 17 R-R1, Q-N7; 18 KR-N1 traps the queen. So Black has to regroup, and Karpov can already plan for a winning endgame.

16	R-R1!	N-B1

Hoping to play N-K3-Q5, but this is easily stopped.

17	P-Q5	QR-B1
18	KR-Q1	P-QB4
19	B-B1	P-B5
20	P-QR4!	PxNP

Allowing Karpov to simplify, but if P-N5; 21 N-R2, P-B6; 22 Q-Q3 and White has a near-decisive advantage.

21	NxP	QxQ
22	RxQ	RxP

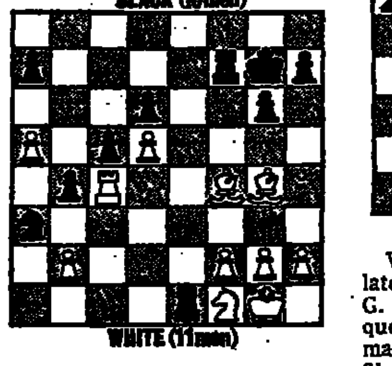
No better is 22...PxP; 23 R-QB1 planning NxQP, NxRP or P-R5.

23	RxR	PxR
24	P-R5!	

Nunn is driven back, and Karpov is ready to mop up. The game ended 24...N-B1; 25 R-B1, N-Q2; 26 RxP, N-B4; 27 NxQP, NxN; 28 RxN, NxP; 29 R-B7, B-B1; 30 P-R6, R-Q1; 31 RxRP. Resigns. If 31...RxP; 32 RxP! KxR; 33 B-QB4, K-K3; 34 P-R7.

POSITION No. 473

BLACK (10men)

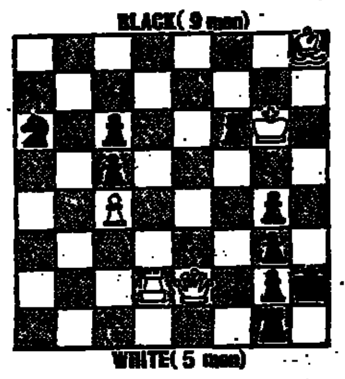


WHITE (11men)

Averkin v. Psakhis, Sochi 1982. Black's last move was the remarkable N(N4)-QR6. Seeing no danger, White (to play) continued 1 PxN. What did he miss, and what should he have played instead?

PROBLEM No. 473

BLACK (9 men)



WHITE (5 men)

White mates in four moves at latest, against any defence (by G. Sladek, 1957). White is a queen up and looks ready to mate by QxNP or on the KR file, but it takes a most unlikely-looking idea to produce the required mate.

Solutions Page 16

BRIDGE

ON MAY 18 I join the North Star's Yacht Cruiser for a week's cruise round the Norwegian fjords to act as bridge host. It is a luxury ship, I am informed, and you would probably enjoy this brief holiday. Details from Paul Mundy, Quadrant Arcade, Regent Street, W1. Phone 734 3308.

Another book by Ron Klinger, *World Championship Pairs Bridge* (Gollancz £8.95) has just been published. It deals exclusively with pairs technique, and if you are a duplicate player, you will benefit from the clear and logical analysis of the hands presented.

Study first this hand dealt by South at game to North-South:

N
♠ Q 10
♡ Q 5 2
◇ A J 8 7 6
♣ K 6 2

W
♠ K 9 6 5 4 3
♡ A 9 4
◇ 3
♣ 8 7 5

E
♠ J
♡ K 8 7 3
◇ Q 5 4 2
♣ 10 9 4 3

S
♠ A 8 7 2
♡ J 10 6
◇ K 10 9
♣ A Q J

South bids one no trump, North raises to three, and West leads the five of spades. What card do you play from dummy? The Queen is better than the 10—if East has a singleton honour, there is some advantage in playing the Queen and pinning a singleton Knave. The Queen holds, and East drops the Knave. What next? You must play on diamonds.

As West is marked with six spades, he is likely to be short in diamonds, so play the diamond Knave in case East has started with four to the Queen. This method will enable you to develop the whole diamond suit without loss. The diamond Knave holds, you then finesse the 10, and cash the King. You now have 10 tricks, and you can try for an eleventh in hearts. It is best to lead a heart from hand. If West has both Ace and King, he will win the first lead and switch to the spade King, holding you to 10 tricks. As it happens, the honours are split, so you make 11 tricks, losing only to the two top hearts.

When this hand occurred, the 74 declarers only nine made two overtricks, 23 made one overtrick, 34 just fulfilled the contract, and eight declarers went down.

We turn to a suit contract:

N.
♠ K J 2
♡ 8 7 4 2
◇ J 7 6 3
♣ J 7

W.
♠ 8 7 4
♡ K J 6
◇ 10 9 8 5
♣ K 8 3

E.
♠ A 3
♡ Q 9 5
◇ A K Q 4
♣ 6 4 2

S.
♠ Q 10 9 6 5
♡ A 10 3
◇ —
♣ A Q 10 9 5

West dealt with East-West vulnerable, and after two passes East bid one diamond, and South doubled. West raised to two diamonds, North and East passed, South bid two spades, North raised to three spades which was certainly optimistic, and South carried on to four.

West led the diamond ten, South ruffed, and played the spade *ten*, *ducking in dummy*. You are East — how do you play? It is best to withhold your Ace — dummy's honours can provide entries, and declarer may require two such entries in order to finesse in hearts and clubs — deprive him of one by ducking. As the cards lie you defeat the contract—South has four natural losers.

Do not defend like one pair who deservedly received a bottom score. East won the spade ten and returned a diamond. The declarer ruffed and led a low club towards the Knave. West won and led another diamond, again ruffed in the South hand. Now the declarer drew the outstanding trumps with Knave and King, ran his club tricks, and conceded one heart.

This pair of defenders, by returning diamonds, had forced the declarer into playing a dummy reversal, something which he could not do without outside assistance. The easy way out of playing diamonds was the only way of letting South get home.

LEISURE

Zanzibar's faded glories

IF YOU WANT to get off East Africa's well beaten track of coastal resorts head for an island whose name alone has a ring of history and adventure—Zanzibar. The island does not offer the packaged facilities of Kenya's Mombasa or Malindi, or Tanzania's mainland hotels—which is a blessing for those who prefer to strike out on their own.

The Sultan's band no longer plays outside Zanzibar's English Club on Thursday evenings, as an old guide book promises, and Gokaldas Sunderji Rugbani, advertised as "sole distributor for Bentley and Rolls-Royce" has long gone out of business. The bustling bazaars with camphorwood chests and Persian carpets are no more.

But a visitor to the island can still sit on the club verandah, now The Africa House Hotel, with battered billiard table and signs pointing to the "ladies' powder room." From this vantage point above the sea, local beer in hand, one can watch the dhows drift by at sunset and reflect on the glories of empire (and the horrors of the slave trade) brought back by "A Guide to Zanzibar" published in 1952 by the Government Printer when the East African Island was a British protectorate.

Early English seafarers were enthusiastic. "This place for the goodness of the *harborough* and plentiful refreshing with fish and fruits . . . is carefully to be sought by such of all ships as shall hereafter pass that way," wrote the master of the first English ship, the 160-ton Edward Bonaventure, which dropped anchor in 1592—nearly 100 years after Vasco da Gama.

The island passed from Portuguese to Arab control in the late seventeenth century. In 1852 Sultan Said Bin Sultan, "founder of modern Zanzibar and the clove industry," says the guidebook, transferred his capital from Muscat to Zanzibar. The island, once the main East Africa trading centre for slaves, became a British protectorate in November 1890.

It is still a clove island (though most of the crop is grown on adjoining Pemba) of *graceful palms, azure sea and* white beaches, but the Sultan's band stopped playing at independence in December 1963. A few weeks later a revolution brought the autocratic Abeid Karume to power, who at his assassination in 1972 left behind a legacy of colour television, hideous *high-rise flats laid out* in the style of East Berlin, and a union with mainland Tanzania since April 1964 which many Zanzibaris resent.

Nevertheless the island has considerable autonomy, and visitors have to clear customs and immigration on arrival. It is run by a Revolutionary Council led by Aboud Jumbe (also Vice-President of the Union), and has its own Central Bank, *budget and development* plan.

Its historical heritage, alas, is sadly neglected and a Unesco backed rehabilitation project may be too late. Buildings are unmarked and crumbling,

TRAVEL

DUNCAN CAMPBELL-SMITH

archive material being eaten by insects and damaged by rot.

The atmosphere of the past lingers, however, in the narrow winding streets, women in black bui-bui's (the island is almost entirely muslim) and the centuries old passage of dhows back and forth from India and the Gulf continues.

Track down a copy of the 1952 guidebook if you can (*stocks on the island were burnt* with revolutionary fervour). Nostalgia part. It sets out a walking tour taking in sites ancient and modern.

The British Residency of "*saracenic style*" *built in 1903* is now the residence of Mr Jumble, next door to the Soviet consulate which was not around in 1952. The Victoria Gardens opposite, laid out by Sayyid Bragash, Sultan from 1870 to 1888 for the use of his harem, is overgrown but still there, unlike the golf course which was taken over by a new road.

The English Club, just off the meandering main street, is marked by a splendid, ornately carved arab door kept in good condition, unlike most of the doors, hundred of years old, which are such a feature of the town.

The proprietor of the Capital Arts Studio nearby ran out of postcards years go—but he will bring out faded old black and white shots from his personal collection. On past the closed offices of Smith, Mackenzie and Company, where the explorers Burton and Speke stayed when fitting out their expeditions to the mainland, and one reaches the tranquil seafront where small boys throw out fishing lines, and some of the few remaining indians residents sit on the benches at the end of the day, gazing wistfully out to sea.

Next to the old arab fort on the front is the Beit-el-Ajaid, "The House of Wonders," an elegant *palisaded affair erected* in 1883 by Sultan Seyyid Barghash.

Now it is emblazoned with the initials of Tanzania's ruling party, Chama Cha Mapinduzi. At the head of a nearby creek stands the house used by Livingstone when preparing for what was to be his last expedition to the mainland in 1866—today used as a veterinary research office.

If you want to stay in the heart of the town, then it's the Africa House Hotel, ceiling fans and sea view. But on the edge of town, and only a short walk from the centre, is the modern Bwawani Hotel, part of the Indian owned Oberoi chain with swimming pool, airconditioning *and a remarkably good menu by* Tanzanian standards. Sea food and curries are the specialities. But wine and spirits are in short supply and beer is expensive—£2.25 a bottle.

The Bwanwani used to boast the only Indian elephants in East Africa, presented to the island in 1974 as a gift from the Indian Government. The two creatures—named Idirani and Govindon—posed a problem for their new keepers, for they would only obey commands in Hindi. They earned their keep giving rides to visitors but sadly they died far short of *their lifespan—of homesickness,* it's said.

● Getting there: British Airways fly every Tuesday to Dar Es Salaam. Air Tanzania operates daily flights Dar-Zanzibar (£36 return), or take the MS Mapinduzi. A four-hour journey, once a week. Use an agent for travel and hotel bookings. Recommended: Kearsley Travel, phone 20607, telex 41014 Dar es Salaam.

● Hoteli Bwawani, Zanzibar: telex 57157. Room with baht from £32. Accepts American Express. Africa House Hotel: phone 2777/2552; cables Zanzotel. Single room, fan and shower, £15.

● When to visit: the cooler months are March to June, which is also the rainy season. You can be sure of blue skies December to March, but it gets *very hot.*

● For further information contact: Tanzania Tourist Office, c/o Tanzania High Commission, 43, Hertford Street, London, W1; telephone 01-499 8951.

The road to Zanzibar

Two new threats from Japan

MOTORING

STUART MARSHALL

THIS WEEK, the ever-enterprising Japanese have launched two original new models on the British market. One, the Toyota Space-Cruiser, is for buyers who want the carrying capacity of a giant estate car within the overall dimensions of a modest family saloon. And the other, the Subaru 1800 GLF 4WD hatchback, is an all-wheel drive coupe for the sportsman who lusts after an Audi Quattro but knows he could never afford it.

The Toyota Space-Cruiser looks like a van-derived minibus *at first sight but is nothing of* the kind. It is more like an executive saloon crossed with a Range Rover, though it has no bonnet and only rear-wheel drive. Six passengers sit on a pair of benches, reached through a sliding door, with plenty of luggage space behind. The high up front seats are the kind you sit in, not on. The driver has seven inches of leg length adjustment, the steering wheel *tilts and the front door windows are electrically operated.*

Equipment includes fully reclining seats throughout, power steering, independent front and rear heating systems, two opening roofs — the rear one electrically operated — and a choice of five-speed manual or four-speed automatic transmission. Engine is a 1.8 litre four cylinder, as used in the new Camry saloons, developing 77 bhp. Although one sits beside it, the engine was as quiet as an electric motor at 70 mph in the Space-Cruiser's galloping fifth gear. Acceleration, with two up at any rate, felt lively. *Third gear was good for 55 mph,* fourth for 80 mph. In fifth, you never get anywhere near peak revolutions and its maximum in this gear — around 85 mph — is also the cruising speed where the law allows.

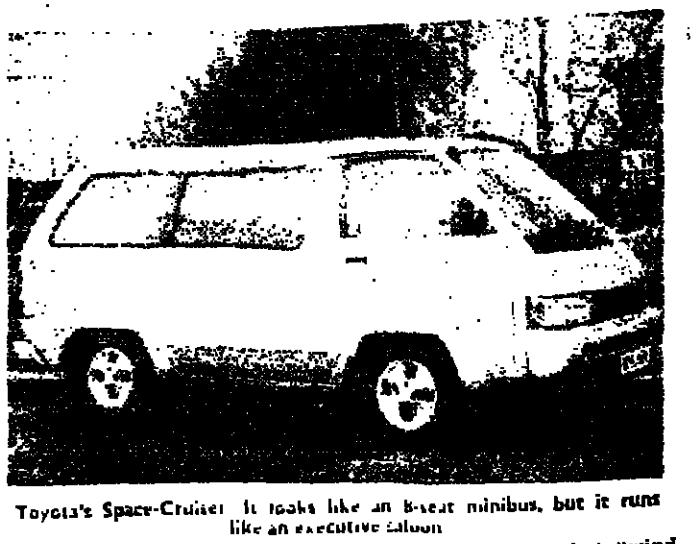
Toyota hope that the £7,981 manual and £8,416 (automatic) Space-Cruiser might tempt the gymkhana mums out of their Volvo and Peugeot estates. It may not have their panache, but it's infinitely more parkable and would be super for the school station taxi. It rides remarkably well, especially for the middle row of passengers, and Toyota say its 24 mpg fully laden at 75 mph is better than it looks, being equivalent to 38 mpg for a crowded five-seater.

The rear-drive Space-Cruiser's back seat tips to provide room for five people plus a big estate car's luggage capacity, or with *all seats folded it becomes a* king-size bed on wheels for occasional campers.

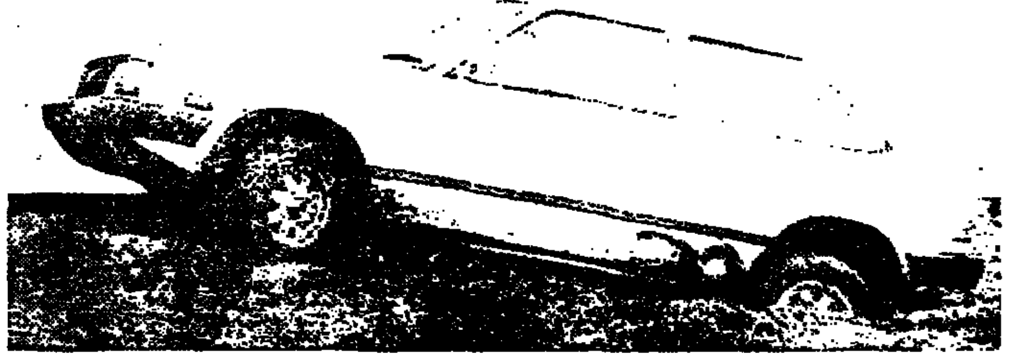
I have not yet tried the Subaru 1800 GLF 4WD which is ten inches shorter and a little lighter than the 1.8 litre 4WD saloon and estate which have weaned so many country motorists out of noisy, uncomfortable off-road vehicles. The new model does not have their twin-range transmission, just a four-speed box and transfer gears offering front-wheel or all-wheel drive as conditions demand.

With 81 horsepower at 5,200 rpm, performance should be spirited, with a mid-90s maximum and all-wheel drive allowing full acceleration to be used safely on the slipperiest roads. There is no centre differential so all-wheel drive must be reserved for soft surfaces or at least wet roads so that "wind-up" doesn't strain the transmission.

The Subaru has all-independent suspension, rack and pinion steering, rear wash/wipe, headlamp washers, split-fold rear seat and a radio. At £5,495 it seems made-to-measure for buyers who like to drive to ski resorts in winter or



Toyota's Space-Cruiser. It looks like an 8-seat minibus, but it runs like an executive saloon



Subaru's four-wheel-drive hatchback. A poor man's Audi Quattro? It costs less than £5,500

Ford lift the veil

A CONTINUOUSLY variable automatic transmission that makes a Fiesta more economical than one with a five-speed manual gearbox. A Granada that can run on three or six cylinders according to power demand. And a 1.6 litre diesel engine to fit any of their present or future small to medium size cars. All were unveiled by Ford this week, though only the diesel is destined to reach the public in the fairly near future.

The engine is to be manufactured at Dagenham from September and goes into certain European Fords the following month. Ford are being a little coy about which cars. The Escort is a certainty for the 54 horsepower, four-cylinder diesel, which will compete with VW's Golf, GM's Kadett/Astra and Renault's 9 diesels. It is, I understand, unlikely to go in the Fiesta — it would be too expensive for a car in this price class — or in the Sierra, which is already offered with a 2.3 litre Peugeot diesel option.

Last week, I caught up with Ford's XR4 and diesel Sierra. The XR4 is fast (about 130 mph is claimed), exceptionally easy to drive and refined rather than overtly sporting. At a likely price of a little over £9,000 when it goes into dealers at the end of this month, the 2.8 litre, fuel injected XR4 is expected to take about 7 per cent of all Sierra sales.

Ford are only dipping their toe into the fleet market with the diesel Sierra. It deserves to sell because it is highly competitive at £5,689, including a five-speed gearbox, and runs up to nearly 100 mph so quietly that the diesel mutter when idling comes as a surprise.

* * *

MY THANKS to all those readers — too many to reply to individually — who have written *to tell me of their* experiences of Eastern Bloc car ownership. Letters are still arriving. I hope to return to the subject later this month.

RESIDENTIAL PROPERTY also appears Today on Page 15

The awkward squad

GARDENING

ARTHUR HELLYER

BIENNIALS ARE one of the awkward squads of the plant world, neither annuals neatly completing their life within a single growing season nor perennials living for many years, but uncertainly balanced between them on a two-year cycle which does not always quite come off. To confuse matters there are quite a lot of plants which it suits gardeners to treat as biennials though nature did not design them that way.

It is easy to slip into the error of supposing that, because a plant has two years of life after which it must be renewed from seed, it is only necessary *to sow the seed every second* year. Of course that will not do at all because, though there will be plants at some stage of growth all the time, there will only be flower every other year. So if biennials are to figure regularly in the garden display they must be programmed for annual sowings.

May and June are usually the most suitable months to make a start — not so early that the plants might be tempted to flower the first year and so spoil their chances of overwintering safely, nor so late that they have not enough time to make sturdy growth by the autumn. *May is ideal for the relatively* slow-growing kinds like honesty (lunaria), foxgloves and Canterbury bells, June for the faster-growing Brompton stocks, forget-me-nots, Scotch thistles (onopordon), Iceland poppies and evening primrose (*Oenothera biennis*).

Perennials which are certainly best treated as biennials are wallflowers, hollyhocks and double daisies and May is a *very good month to sow all* these. Most gardeners also treat Sweet Williams in the same way but personally I am quite happy to let them stay for several years even though they do get a bit straggly in the process. I feel the same way about old-fashioned primroses and polyanthuses but most of the new giant-flowered strains overwinter so unreliably once they have flowered that it does seem wise to treat them as biennials and sow quite early since seed germinates slowly and irregularly. The seedlings do not grow fast at first though they speed up later.

All the large flowered pansies are certainly best grown as biennials and June is soon enough to sow them. The same applies to the modern large-flowered violas offered as seed *strains. But the old fashioned* violas such as Maggie Mott, Irish Molly, White Swan and Moseley Perfection are genuine perennials which can be kept for years and be increased by cuttings or division. *The difficulty* today is to know where to obtain these lovely old varieties. But there is no problem about purchasing *Viola cornuta* and various selected forms of it and this is the species that gave the good garden violas their thin, winter-hardy stems and tufted habit.

Many biennials and plants treated as such can be sown out of doors in a small well-prepared seed bed from which the seedlings can be transplanted as soon as they are large enough to be handled conveniently. This is quite satisfactory for wallflowers, Brompton stocks, foxgloves, honesty, which once introduced usually propagates itself almost too freely by self sown seed and forget-me-nots, another plant well able to look *after itself. Aquilegias, which* are really short-lived perennials, also have a habit of anticipating their demise by producing thousands of seedlings. It is not always satisfactory with some of the small seeded or erratic germinating plants such as Canterbury bells, Sweet Williams, Iceland poppies, primroses, polyanthuses, pansies and violas, with the one exception of the wild heartsease, *Viola tricolor*, which can become a rather engaging weed if given half a chance.

These more difficult kinds are best sown in pans or direct in a frame where they can be sheltered a little, kept evenly moist and given extra protection from weeds, birds, slugs and snails. It is more a matter of having them under close watch than actually giving them higher temperatures which at *this time of year they do not* need.

Not all these seedlings need to be transplanted into nursery beds. Those which seed themselves can usually be allowed to grow on undisturbed, simply being thinned where they are too crowded and removed where they are not wanted. It is those raised in pans and frames and also all kinds needed for bedding schemes or for beefing up the flower borders when they might otherwise lack colour that must be nursed. This is so that they can grow into shapely well furnished plants with compact root systems that will withstand the final transplanting whether that be in autumn, which is certainly best for wallflowers and Brompton stocks, or in spring which may be preferred for many of the others.

The nursery rows, or beds if it is more convenient and economical to plant on a square pattern, need to be in an open, reasonably sunny place for all except pansies, violas, primroses and polyanthuses which prefer it to be cool and moist. The soil should be rich and crumbly and water should be available to keep the little plants growing in dry weather.

BOOKS

Our time

BY GEORGE MALCOLM THOMSON

A History of the Modern World: From 1918 to the 1980s:
by Paul Johnson. Weidenfeld and Nicolson, £16.50. 817 pages

This is, some people think, the worst century since the Dark Ages — at least, since the Wars of Religion. Yet it set out with such high hopes, such promising auspices! Perhaps these very hopes have contributed to *the grim disappointment?* It is a possibility which a philosophical historian like Paul Johnson would not, I think, totally dismiss.

For him, the three great prophets of the age are probably Marx, Einstein and Freud; they have given it its distinctive quality, although Marx, through his nefarious disciples, has contributed *more so far than the* others to its horror and gloom. So far! The century is not over yet and Einstein's heirs *may* not have spoken *their last word*.

Johnson does not look ahead: his clear gaze is fixed on the present.

The modern world begins, he says, on May 29 1919 when photographs of a solar eclipse *confirmed the truth of a new* theory of the universe: Newton was dead; Einstein reigned. It is as good a starting point as any, although a case might be made for St Petersburg, 1917, when the Grand Old Man of Highgate Cemetery saw — or would have seen had he not been dead — his fatal gospel become the official religion of a great power.

Another significant date occurs in 1932 when, at the Cavendish laboratory in Cambridge, *J. D. Cockcroft and* E. J. S. Walton, using a piece of equipment which had cost £500, split the atom.

In the great drama which Johnson unfolds, Russia occupies a disproportionate amount *of the scene. Among* his many villains three stand out in grisly pre-eminence: Lenin, Hitler, and Stalin. Yet, it is *not the* mass-murderers who excite his most scathing prose but those who, although not completely bad, have escaped too lightly from the censure of time.

If he has a bias, it is against clever people who, out of vanity, allow themselves to be deceived. Gandhi emerges as a political exotic; Roosevelt as a *lightweight* and, compared *with* Hoover, rather reactionary. Nehru derives his political wisdom from the New Statesman, while the awful Webbs return from Russia, their eyes blazing with self-deception. The judgments are summary but, in fact, they are supported by intricate recollections of events.

Johnson is opinionated—as a good historian should be—he is not perverse. He etches waspish portraits not only of the grand villains but also of the froth *of minor rascals, dupes, and* hangers-on.

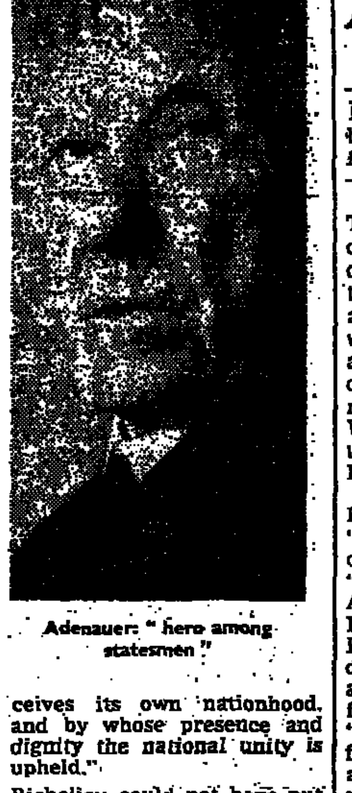
His hero among the statesmen is probably Adenauer, although Erhard must *be given* some of the credit for defeated Germany's triumphant restoration. Then again, *how* much Germany owes to two British trade unionists, Will Lawther and Jack Tanner, who designed for her a trade union system as successful as their native British model has been disastrous.

If, on the whole, Johnson's colours are sombre, remember he is writing about a period in which a massacre is hardly worth mentioning unless it runs into hundreds of thousands; the age of the Holocaust, Gulag, and the "Cultural *Revolution," in which cannibalism* is on the way back in Africa and astrology is becoming politically respectable in Asia.

"Throughout those years," [Johnson says] "the power of the state to do evil expanded with awesome speed. Its power to do good grew slowly and ambiguously."

Adenauer is not, of course, the only statesman of whom Johnson approves. There is De Gaulle, who, when asked by the Queen about her role, replied:

"In the station to which God has called you, be who you are, Madame; *the person in* relation to whom everything in your kingdom is ordered, in whom your people perceives its own nationhood, and by whose presence and dignity the *national* unity is upheld."



Adenauer: "hero among statesmen"

Richelieu could not have put it better or phrased it so superbly.

Johnson likes his statesman to be literate and, if possible, *witty. Mountbatten*, whose talent for public relations he acknowledges, was literate but not witty. He must bear some *blame* for the partition of India and therefore for the hideous carnage it caused. Even the Viceregal palace was not immune. Lady Mountbatten helped to carry the corpses of their Muslim staff to the mortuary.

In telling, with enormous verve, the story of the age we are living through, Johnson takes just pleasure in destroying some accepted myths such as Hoover's alleged unwillingness to interfere in the economy. *He fills his canvas* with portraits of living people, usually vivid and sometimes surprising.

This is history written by a brilliant journalist and all the better for that. Living through the years he is describing, Johnson has no doubt changed his mind about things. What he has written are, in effect, the *second thoughts of a liberal-*minded and honest man. They are an invaluable guide for all of us.

Poetic Brahmin

BY GEOFFREY MOORE

Robert Lowell: a Biography
by Ian Hamilton. Faber & Faber, £12.50. 527 pages

"And this is good old Boston/ The home of the bean and the cod/*Where the Lowells talk only to Cabots/And the Cabots talk only to God*." Seven years after this was written, a Lowell was born who—although from a minor branch of the family—certainly made the most of his *membership of what Oliver* Wendell Holmes called "the . . . untitled aristocracy of New England."

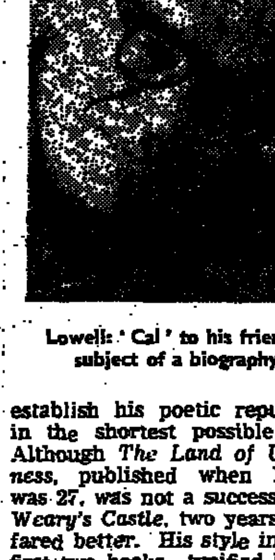
Robert Traill Spence Lowell IV was born on March 1 1917 "under the shadow of the dome of the Boston State House"—"like," he said, "Henry Adams." At 23 he wrote to his cousin Lawrence Lowell, President of Harvard, suggesting himself, despite his almost non-existent academic qualifications, for a fellowship. He told his parents: "One can hardly be ostracised for taking the intellect and aristocracy and family tradition seriously." When he received his call-up notice in 1943, he wrote to President Roosevelt,

"refusing the opportunity you offer me for service in the *Armed Forces" [and telling him]* "how painful such a decision is for an American whose family traditions, like *your own*, have always found their fulfilment in maintaining . . . our country's freedom and honor."

At the Yaddo Writers' Centre, in 1949, Lowell announced that if the Board did not remove the director, Mrs Ames, he would inform "my influential friends in the world of culture," adding that "I have friends in Washington and I shall take steps to see that the matter is aired there, too."

Who was this insufferable *moral blackmailer, string-puller* and snob, who broke his first wife's nose a second time after he had already broken it once in a car accident, who dragged his lovers and friends ever more deeply into the mire of *his* manic depression? He was, without a doubt, the best American poet to emerge after the Second World War.

Robert Lowell ("Cal" to his friends—from "Caligula," a school nickname) was convinced from early on that he had a manifest destiny—"like Milton," as he wrote to Cousin Lawrence. From the time that he abandoned Harvard for Kenyon College and the indulgent mentorship of Allen Tate and John Crowe Ransom, there seemed to be a conspiracy to establish his poetic reputation in the shortest possible time. Although *The Land of Unlikeness*, published when Lowell was 27, was not a success, *Lord Weary's Castle*, two years later, fared better. His style in these first two books—typified by the much-anthologised "Quaker Graveyard in Nantucket"—was *gnarled, convoluted* and *latinate*, as indeed was that of *The Mills of the Kavanaughs* (1951).



Lowell: 'Cal' to his friends, subject of a biography

It was not until the publication of *Life Studies* in 1959 that a further range of Lowell's talent *could be seen. Like his rival*, John Berryman, he became a "confessional" poet.

This trend continued through *For the Union Dead* (1964), *Notebook* (1969) and the books of the 70s: *The Dolphin, For Lizzie and Harriet* and *History*. Ian Hamilton's biography fills in the details of—and gives other points of view on—the now *familiar "données"* of the poems: West Street jail, "Czar" Lepke, McLean's upper-crust loony-bin, daughter Lizzie in her "flame-flamingo infant's wear," Nautilus Island, the Old South Boston Aquarium.

It's a sad and terrible story. Despite lithium, despite all the hospitals and courses of treatment, Lowell's illness continued, in one form or another, until his death in a New York taxicab on September 12, 1977. John Haffenden took us through a similar process in his biography of John Berryman. Both Haffenden and Ian Hamilton — for there is little to choose between *the two in their* professional skill—let us into troubling, if fascinating, private worlds. To what end? So that *we maye relish the gory details?* The artefacts exist, surely, in their own right. In them, the personal is "made over"—professionally, ruthlessly moulded into art. They do not improve because we know exactly how Lowell treated Jean Stafford, Elizabeth Hardwick or Caroline Blackwood. These recent biographies take us into new fields: they are psychological casebooks, and must be appreciated as such. What they never seem to do, however, is make us value the poetry more. Perhaps the often-reviled critic has his place after all—for he, at least, seeks to illuminate the creative *springs without* which the biographer would never have been interested in his poet-subject.

Process city

BY ROBIN LANE FOX

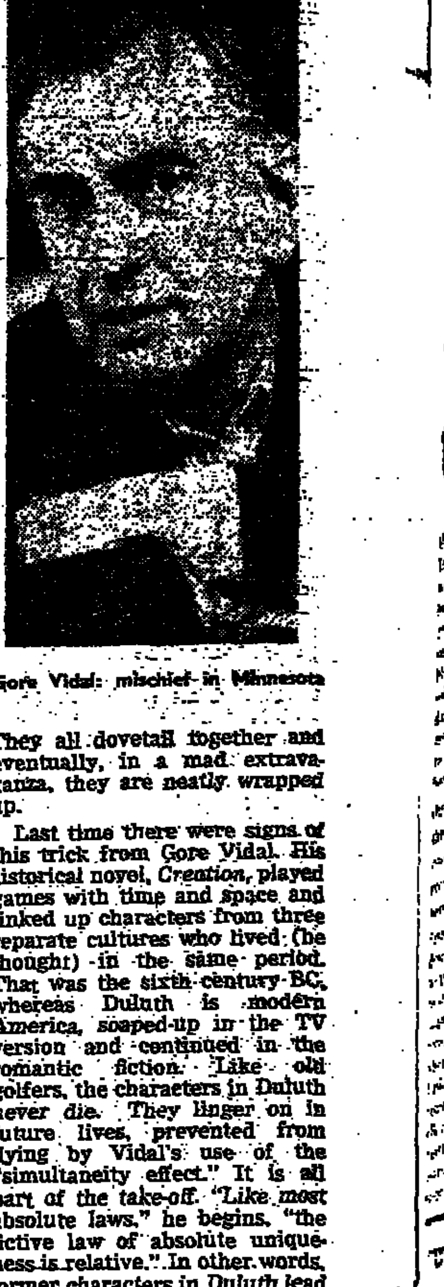
Duluth
by Gore Vidal. Heinemann, £7.95, 205 pages

I think this book is rubbish. That, Gore Vidal would reply, is precisely the point: I wrote it as a take-off of American rubbish and in order to take it off, it has to be rubbishy itself. Stand back a bit: laugh and enjoy what is, after all, an ingenious satire. The blurb talks of a savage, wildly comic burlesque. "Duluth!" says the neon sign above the city, the Venice of Minnesota: "love it or loathe it, you can never leave it or lose it." Why not take it *for what* it is, a comic skit on American fiction, TV drama and the corruption of life both high and low in a plate-glass city?

True, I do not loathe it, but I did not mind leaving it and I think it lost me before I lost it. I respect Gore Vidal's versatility and of course there are flashes of his usual wit. There is some rough sex, a triple plot and scenes of High Life in Duluth which I suspect will seem funnier on the other side of the Atlantic. Humour does not always transplant and I wonder how comic you will find it.

The best jokes in the book concern literary and social pretentions. Duluth's social calendar never fails, with its craze for lacrosse and its Coming Home parties at the Eucalyptus Club. But I am out of my depth when the cerise space-ship which has hung over the city's life is finally opened. First, the city's would-be mayor has a hallucination of Hubert Humphrey on his 1968 campaign. Then, he meets a crew of space-bugs, Visitors from the Friendly Skies, who end up by taking over Duluth and its word-processing. This sort of burlesque passes me by entirely.

I have also had enough of fiction which stands back and sends itself up at two or three removes. In the past month, I have groped through *Ararat* and sat through the cuts and flashbacks in *A Map of the World*. Now, it is Duluth, with three plots and a variety of subthemes and reincarnations of its leading characters. You have at least three stories for the *price of one: the* rough and (considerable) tumble of life in Duluth, the TV serial "Duluth!" and the Klein Kantor word-processor novel, "Redbook."



Gore Vidal: mischief in Minnesota

They all dovetail together and eventually, in a mad extravaganza, they are neatly wrapped up.

Last time there were signs of this trick from Gore Vidal. His historical novel, *Creation*, played games with time and space and linked up characters from three separate cultures who lived (he thought) in the same period. That was the sixth century BC, whereas Duluth is modern America, soaped-up in the TV version and continued in the romantic fiction. Like old golfers, the characters in Duluth never die. They linger on in future lives, prevented from dying by Vidal's use of the "simultaneity effect." It is all part of the take-off. "*Like most* absolute laws," he begins, "the fictive law of absolute uniqueness is relative." In other words, former characters in *Duluth* lead second lives in the TV serial of that name or in the hospitable pages of the novelist, Rosemary Kantor. Characters go on for ever, passing from script to script, without a continuous sense of identity. Their relations recognise them, and at times, their plots intertwine. Nobody, but nobody, is cast into the waste-paper basket for good.

So what? I felt. There are some salacious scenes between a policewoman and the ethnic delinquents who she "strip-searches" for drugs. There is a feeble mystery about the identity of Mr Big in the vice rings and corruption of the city of Duluth. There is humour in the style and a ghastly familiarity about the TV soap opera. But it becomes a fantasy which sends up nothing except its own invention: rubbish, in *short, for the sake of it.*

Tory club then and now

BY MALCOLM RUTHERFORD

Power and the Party: A History of the Carlton Club, 1832-1982
by Barry Phelps. Macmillan. £14.95, 103 pages

"Never write a letter to your mistress and never join the Carlton Club," the Duke of Wellington is reported to have said, though he had been a *member in the earlier days.*

"Put him on the bill," said Lord Glasgow after having thrown a waiter out of the window, though the story belongs to another Club.

That's the trouble with most club stories. They tend to be apochryphal; embroidered, hard to authenticate. It has long been believed that Lord Birkenhead *used briefly to stop off* at the RAC Club on his way from the House of Lords to the Carlton. When eventually asked: "Are you a member of this club, my Lord?" he replied: "Club? Is this a club? I thought it was a public convenience."

Barry Phelps now tells us that it was not the RAC Club at all. It must, he says, have been the Constitutional or the National Liberal.

A more modern story has the ring of truth. Asked why he *preferred White's to the* Carlton, Lord Carrington responded that it was because the latter was "full of the sort of people I go to my club to avoid." The Carlton has obviously come down in the world from the days when it was *almost literally* the Conservative Party.

This isn't a history so much as a series of anecdotes interspersed with some pertinent political comments. A key figure in the origins of the Club was a Mr Francis Bonham who wrote to Sir Robert Peel urging "the need for a very small and quiet and active committee." That committee was in effect to run the Party. Mr Phelps notes:

"The use of the adjective 'quiet' is indicative. Bonham's work set the pattern for party political management that has lasted to this day."

Well, not quite to this day, though it is intriguing to find *that when Mrs Thatcher* challenged Mr Heath for the leadership, the Club had a motor-cycle messenger waiting with a letter inviting her to become an Honorary Member if she won. It was the first letter she received after being elected.

Mr Phelps is perceptive in tracing back the Club's decline *over so many years. The rot set* in, he suggests, in 1911 when Liberal Unionists were allowed to attend the meeting which made Bonar Law Party Leader, a man whom he compares with Mrs Thatcher for his boldness in turning a bad hand into a good one. The next year the Canadian Prime Minister was invited to dinner, the first time that a visitor had ever been *entertained there. It was the* beginning of the end of the exclusivity on which the Club had thrived.

The more decisive break with the past came at the most famous meeting of all — in 1922 when the Party voted to end the coalition. There had just been an extraordinary result in a by-election at Newport which the anti-Coalition Independent Conservative candidate had won. Tory MPs voted to go it alone. That was the origin of the 1922 Committee and also of the switch of power in the Party away from the Carlton Club to the House of Commons. As *Mr Phelps comments: "Party* leaders no longer needed to go to the Carlton to judge the temper of their followers."

The influence lingered on. Mr Macmillan when he was Prime Minister used frequently to lunch at the Parliamentary Table and other Ministers followed suit, but the Carlton had ceased to be an exclusively political club.

Nearly £15 seems a bit much for a book of little more than 100 pages, however entertain*ing. Yet it does include* "Civilisation under Threat," Macmillan's first Carlton lecture last year and its splendid words: "As a result of a very long life I have come to the conclusion that when all the Establishment are united, they are always wrong." Mrs Thatcher, who has written a very short Foreword, would not disagree with that.

Head's wife

BY SARAH PRESTON

A World Apart
by Daphne Rae. Lutterworth Press, £8.95. 178 pages

Daphne Rae's account of her childhood which forms the first third of this book of memoirs reads like a scenario for Hammer Films based on a novel by Angela Brazil. Schoolgirl grit and common sense triumph over alternating scenes of horror and calm.

Born in Colombo, she was four when her father died. Her mother literally abandoned her in England with a great-aunt who was married to the monstrous Uncle Bob, a Cheshire GP. *For the least offence he* beat her till the blood flowed and he tried to assault her virtue as soon as she reached puberty. *But perhaps the most* shocking of her many revelations is her description of hiding in his surgery and from under the examination couch witnessing him having sexual intercourse with diverse female patients.

The icy dormitories of various boarding schools—understandably she was a difficult child to settle—were an escape. It says a lot for the system as well as for her engaging personality that this deprived child was taken home for the holidays by many friends whose circumstances were more normal. As a girl she was thus worse treated than many who at a different social level would have been taken into public care but she also lived a privileged existence in several stately homes. She transmits well the deep loneliness she felt in her status as a guest, however welcome she was made.

The story of her childhood is moving and bizarre so it is perhaps not surprising that by comparison the rest of her book about her life as the wife of a public schoolmaster is pedestrian. She gave up the hope of university and a medical training to marry John Rae who became an assistant master at Harrow, then headmaster of Taunton School for four years and now headmaster of Westminster. As her title implies, a boarding school is a world apart. Her attitude to the system in which she has spent her life appears from this book to be ambivalent. It is doubtful *whether the Headmasters' Conference* would want to employ her as a public relations officer even if Mr Neil Kinnock would not find her a satisfactory ally. The result is a series of embarrassing anecdotes about the tribal aspects of public school life and truisms about education in general, told in rather a carping tone. Perhaps if Mrs *Rae goes on to write about her* recent work with the destitute overseas she will be able to recapture the urgent human feelings which makes her description of her early years memorable and disturbing.

On the carpet

BY NICHOLAS BEST

Jennifer's Friends
by William Smethurst. Methuen, £7.95. 223 pages

The Anatolian
by Elia Kazan. Hodder and *Stoughton, £7.95. 436 pages*

Binstead's Safari
by Rachel Ingalls. Faber and Faber, £7.95. 221 pages

Colonel Snape says he left *Tarrington's wages under* the stone by the fishpond; but Tarrington says there was nothing there. Who knows what really happened? Certainly not the radio scriptwriters in William Smethurst's marvellously funny first novel *Jennifer's Friends. They would give anything to* find out.

Jennifer is a health visitor, the central character in a truly awful soap opera broadcast every day to millions of listeners across the nation. She *is the creation of* an unwieldy team of drunken, boorish, randy scriptwriters who can't stand each other and will do anything to sabotage each other's story lines. With more than 200 episodes of *The Archers* under his belt, Mr Smethurst has written a wonderful send-up of the world he knows best. It will be required reading for *aspirant scriptwriters* everywhere.

The producer breezes in to a script conference to organise some social deprivation and sort out a couple of cliff-hangers before getting down to the important business of seducing the production assistant. A left wing demonstration wants to know why none of Jennifer's friends are black. An actress scans the script darkly for any hint that she is feeling not just ill, but very ill; another member of the cast annoys the programme director at a party and is mortified to discover soon afterwards that he has been killed by a falling tree. There is even talk, in view of the decline in the ratings, of sending Jennifer to Queensland to farm kangaroos.

A delightful book this, a good, relaxing, enjoyable read by a professional writer who knows what he is talking about.

Equally sure of his world, but with a much heavier hand, is the *Oscar-winning* film director Elia Kazan. In his earlier *America, America* he created a memorable character in the thoroughly unappetising Stavros Topouzoglou, who fought his way out from nowhere to get from Greece to the United States at the turn of the century. The story continues now in *The Anatolian* with the arrival *of the rest of Stavros's* family in New York and their subsequent hard times in the carpet business.

Immigrant novels have an apparently immovable hold on Americans, whether about *Italians* making good in San Francisco, Jews in New York or the Irish everywhere. Every ethnic group has to have a literary monument to itself in several fat volumes before it can even begin to feel respectable. In this respect *The Anatolian* follows the traditional up-by-the-bootstraps pattern, with brothels, power struggles—"The ones with blue eyes. They own this country"—and an unattainable rich bitch who proves all too attainable once she has been slapped around the face a bit.

But the mixture is very much the same as before, a tried and tested formula for home consumption rather than abroad. To the uncharitable outsider, happily familiar with his own roots, it seems once you have read one immigrant novel you have read them all.

Binstead's Safari is an odd tale of an unhappy American couple, Stan and Millie Binstead, who attempt to work out their problems with a trip first to London, then to the lion country of Kenya. Stan is a professor of folklore, interested in superstitions and *primitive* animal-spirit cults. Millie is interested in Stan, but also in a white hunter who can *apparently change himself* into a lion at will.

In her previous novel *Mrs Caliban*, Rachel Ingalls made a name for herself as a writer whose imagination was a cut or two above the ordinary. Sadly, the same feat does not work twice. She is out of her depth in a world of magic and human sacrifice, and if she has ever been *to Kenya*, there is no evidence of it in these pages. In itself this need not be a problem—Bram Stoker never visited Transylvania—but somehow her efforts just aren't enough to carry the day.

HOW TO SPEND IT

by Lucia van der Post

Once, you had to go to India to buy their hand-loomed fabrics. Today the selection in Britain has never been larger.
Louise Nicholson reports

Passage to India

ONE OF the most enjoyable ways of passing an afternoon in India is to stroll through a bazaar. There, among the chattering women, spice sellers, fat merchants, wandering cows and bullocks, the craftsmen quietly practice skills passed down from generations. The zari cleaner buffs up the gold thread of a sumptuous sari; a cross-legged tailor sews a choli (tight-fitting blouse) on his ancient Singer sewing machine; a jewellery-maker solders delicate filigree silver earrings. And peering into a dark room in answer to a noisy clatter-clatter you may find a mother and child busily throwing the wooden shuttle from side *to side as they weave a rich silk sari, glistening with gold* borders.

Outside, wily merchants tempt the Hindu women with silks, cottons and man-made fibres of every colour, the brighter the better, pandering to their fussy, fashion-conscious needs. The design, the colour and the weaving method vary from state to state—even village to village—and the experienced eye can recognise a fabric's origin even when it is far from home. When *I asked a lady where her deep* raspberry pink sari of heavy silk came from, she replied, hautily: "Kanchipuram, of course," as if boasting an Yves Saint Laurent suit. Which indeed she was, in a way. Every Indian knows that the finest silk is woven at Kanchipuram. Recently we British have begun to demand Indian hand-loom rather than factory weaves. These have been made more accessible because the Indian government, aware of the threat posed to weavers by both the giant cloth factories and the Indian women's delight in man-made fibres, has provided a system of tax *relief* for craftsmen. So now, Indian fabrics and furnishings, all worked by skilled craftsmen, are available in Britain at reasonable prices.

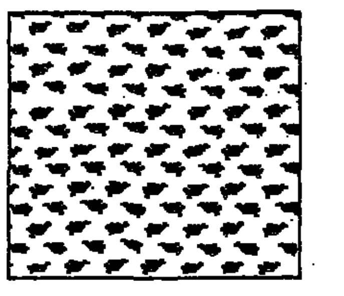
Hand-embroidered crewel-work

CREWEL-WORK hangings conjure up the 18th century vision of a roaring fire in the grate of a dark oak-pannelled bedroom, the windows and fourposter bed hung with calico embroidered in wool with large meandering tree-of-life designs in bold reds, blues and greens. If it is English crewel-work, the embroidery may even have *been worked by the mistress* of the house.

Although it is unlikely that the vision can be realised with home-made English work today, the Kashmir equivalent is available. Its origin is the Indian chinoiserie style developed at the beginning of the 18th century as a local interpretation of the sample-patterns of fashionable English chinoiserie sent out for copying by the English and Dutch.

Three centuries later, the craft is still practised in Kashmir, with little change. The Muslem women sit on the floor in their dark, cavernous houses, wearing *kaftan-like* wool pherons. During the winter months they slip hot charcoals inside their pherons to keep warm. They work together, on one *piece of local,* coarsely-woven cloth or independently on separate lengths, using a hook to chainstitch over the flamboyant floral designs drawn by the men of the house. The piece is usually 57 metres long, about 130 cm wide, and, unless there is a special commission, no two pieces will be exactly the same in colour or design.

Several shops supply this wonderful furnishing fabric, but few have large enough samples to give a good feeling of the grand and sprawling designs with their large repeat. It is quite expensive, but then it is hand-embroided, unique and the thick cloth does not require *interlining. Prices at Liberty* and the Global Village shops are £15.50 per metre, at Mary Fox Linton £15-£19 per metre

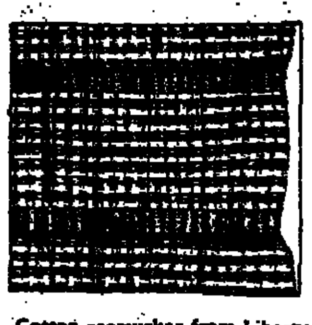


Flying chicken screenprint

SCREEN-PRINTING has adapted the block-printing method to present day economics. Whereas four people block-print eight four-coloured saris in a day, each printing one colour, those same four can screen-print 160 similar saris in a day, increasing the output 20-fold. *There are other advantages.*

A wooden block wears out quickly and even in its prime cannot print outlines as clearly as the screen-print.

Jacqueline Ayer has found a compromise. In her fabric design she uses traditional motifs in a variety of new ways, often selecting an element from a complex block design and screen-printing it as an all-over repeat. From an 18th century block for a large shawl *made in* north India, she took the motif of a flying chicken, using it in a variety of sizes and colours in her collection of 16 fabrics for the Conran Shop. All her designs are crisply hand screen-printed on hand-woven South Indian cotton, 114 cm wide, costing £5.75 per metre.

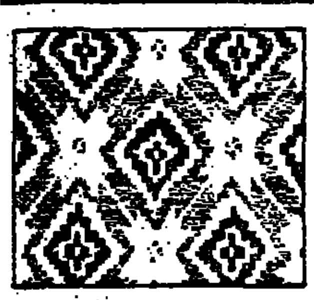


Cotton seersucker from Liberty

DOWN AT Cannore in the southern state of Kerala, *Liberty has seersucker fabric* handwoven to its own designs, using local cotton. Seersucker is a relative crepe, which until its elevation to a smart fabric was used for bandages and made up into loose-fitting pyjama suits worn as informal clothes and by the poor. The story goes that in the late 1950s Pierre Cardin was invited by the Indian government to visit India and suggest fresh ways of using their crafts. Cardin was himself looking for an easy care fabric. In Kerala he found crepe and, très vite, made it très chic.

To achieve the elasticity, the fabric is either woven by a special method, treated with acid after weaving or stretched out tight on the loom as it is woven, contracting when taken off. Seersucker uses similar techniques. *The Liberty range* is made by the special weaving method: two warp beams are employed, one loose to give the crimp effect, the other tight to make the ground, thus producing smooth and *gritty textured* stripes. The Persians imaginatively called it sir o sakar, meaning milk and sugar, for which seersucker is a rough transliteration, first recorded in the mid-18th century.

The Liberty seersuckers incorporate designs of wide red stripes, large and small checks, narrow polychrome stripes, or leave the fabric a plain pretty pink to show off its milk and sugar texture. It costs £2.95-£3.50 per metre, 90 cm wide.



Peachy-green pure silk ikat

THE IKAT is the most sophisticated of all weaving techniques, demanding astonishing skill from the dyer and weaver. The term ikat comes from the Malayan word meaning binding. The ikat method reverses the usual process of weaving, then printing. The individual threads are first tie-dyed, then woven, *according to an intricate and* precise plan, giving the design its distinctive, slightly out-of-focus character.

Women and children usually dye, men weave. For a design using a repeated motif, the threads are dyed in bundles so that the colour is even for the whole length of fabric. Where there are several colours, the threads are tied and dyed a second, third or fourth time. Then, after untying, a thread is taken from each bundle and arranged to form a complete motif before being woven.

To make a single ikat either the warp or weft is dyed, but for a double ikat both are dyed, requiring even greater accuracy.

Although it seems heresy to cut such fabric—a wall-hanging would be a more fitting tribute to such skills—ikat is now available by the metre at modest prices. Anatol Orient at 16 Cross Street, London N1, has 14 patterns in lightweight cotton, £5.50 per metre. The Conran Shop, 77/79 Fulham Road, London SW3, stocks two weights of cotton, the *heavier suitable for furnishing,* at £6.50 and £7.50 per metre. Mary Fox Linton, 249 Fulham Road, London SW3, has Orissan double ikats in cotton at £11.25 per metre and stunning silk ones at *£32 per metre.*

For old ikats, keep an eye out for the Oriental and Islamic Textiles sales at Christie's South Kensington, 85 Old Brompton Road, *London SW7—there is a good* one on June 14.

Drawings by Clare Brooks

Blockprint on pure cotton

BLOCK-PRINTING on calico is traditionally practised in Gujerat, Rajasthan and neighbouring states, as well as at centres in the south. At Sanganer, near Jaipur in Rajasthan, the block-printing craft continues.

Here a trickle of red or blue water on the dry mud street is the clue. Follow it to its source to find a long barn-shaped building. Inside, windows pierced high in the walls light up long tables. Wooden blocks are stored in niches in the wall. They have been cut by the printer or specialist block-maker. The colours of the design were separated onto tracing paper, pricked onto the wood, then cut out with a hammer and chisel. Precision is essential. One mistake and a new block must be cut.

The fabric, varying from fine muslin to heavy cotton, is pinned to the spongy, padded table tops. The printer pours dye for the outline into a padded wooden tray and prints the whole length of fabric. When dry—not long in India—he prints one of the infill colours, entirely depending upon his eye and a steady hand to place the block accurately. Third, fourth, even fifth colours follow.

Anatol Orient stock seven prints on the roll, 101 cm wide, £3.05 per metre. Anokhi imports quilts and bedspreads of two distinct styles—or bold geometric patterns of triangles and stripes *imitating Rajasthan appliqué* work are printed in rust and black. Anokhi's own shop is at 8a Green Street, Bath. Other stockists of their goods include General Trading Company, 144 Sloane Street, SW1; *Graham and Green, 7 Elgin* Crescent, London W11;

● If you happen to be travelling to India it is well worth taking the measurements and colour matches for any furinishing or dress-making you are considering. Prices are substantially cheaper there for silk, cotton, crewel-work and also dhurries. Most cities have a government *Handicraft Centre selling local products—and all the states are represented* in Bombay, which is good news for travellers who usually catch flights from home there. The goods are of sound quality, can usually be paid for by credit card and can often be shipped to the Port of London without bringing the overall cost up to prices here.

Warm up to summer

Drawings by Celia Baker

ONCE UPON a time the English summer and the inevitable *cardy* went together like Darby and Joan. Today there are much more attractive alternatives to keeping warm through the unpredictable days of the so-called "warmer" months—namely the summer sweater.

These come in a variety of different yarns — some, for chilly mortals, are in 100 per cent wool but come in dreamy pastels or gentle heathery colours or bright primaries that look right beneath a midday sun. Others come in cotton, which *is a lovely yarn* to wear in summer, and yet others are made up in silk, linen or cotton mixes.

Many of the knitwear designers, having found that many potential customers loved the sweaters but didn't know what to wear them with, have brought out matching skirts to solve the problem.

From left to right. A very striking black and white sweater and skirt by Sarah Dallas. The *sweater is £87 sizes 10-14.* The black and white check skirt is in pure silk, costs £92 in sizes 10 to 14. Both are available from Room 7, Bay Horse Yard, Briggate, Leeds 1; Libra of 3 *Castlegate,* Doncaster; or from Sarah Dallas, 37, Otley Street, Skipton, Yorks.

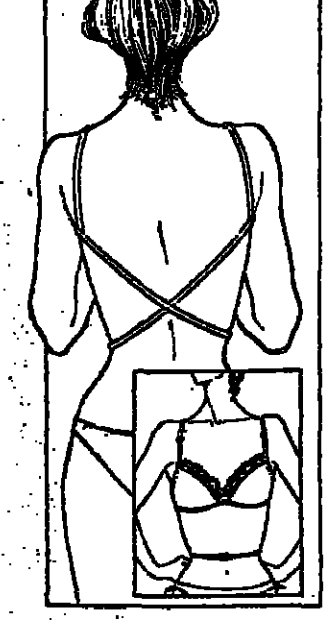
Next is another outfit by Sarah Dallas. The Fair Isle patterned jumper comes in 100 per cent wool, in grey with pink, *or white with pink and pale* grey or pink with beige. £83 in three sizes, small, medium and large. The striped cotton skirt is in beige, pink and grey stripes. £57.50, sizes 10 to 14. Both available from Way In at *Harrods, London* SW1; Taylor and Haddow, 37 Beauchamp Place, London SW3; Image of Bath, 19 Northumberland Place.

On the right, is just one of the many splendidly coloured sweaters from Kay Cosserat. The silk, linen and cotton mix sweaters, in shares of rose and rust, blue and lavender or green and yellow, cost £74. The cream linen culottes are £105. Both available from Fortnum and Mason, Piccadilly, London, W1; Coppella, Lymington, Hants; Options at Austin Reed.

Some of you may have noticed, chilly though it's *been, that this is the summer* of the backless sweater. You can find them in shops up and down the country — from nearly £100 by smart names in chic boutiques and for as little as £6.99 in a mixture of linen and acrylic in some of Marks and Spencer's leading branches.

Though the sweater itself is easy enough to find, it's only recently that bra manufacturers have woken up an produced a *bra suitable for wearing under* this year's most fashionable top. They, too, can vary in price from about £15 for the designs that were first off the seamstress's machine to £2.50 for the version sketched here from *Etam shops. As you can see,* the straps cross over at the back low enough to allow the plunging sweaters to be worn with ease, and then fasten round the waist.

The bra comes in cream or white, *sizes 32B-36B* and is to be found in most branches of Etam.



ARTS

Creating history

Australians aren't usually modest, and you'd have thought the foundation of the first antipodean colony in what was then New Holland, now New South Wales, might be as rousing a tale as the history of the Pilgrim Fathers. Yet if you asked a dozen Englishmen who Captain Arthur Phillip was, how many would place him as the first Governor of Australia? They probably suppose that Australia was founded by Ned Kelly.

Radio 4's Wednesday programme, *The Most Valuable Acquisition*, written by Mike Walker, told the story of Captain Phillip and his convict pioneers with excitement and pride. Not pride in the convicts, alas, who continued to be thieves and worse, and were reluctant to do anything to help themselves; but pride in their first Governor, a middle-aged Naval Officer who persuaded them to survive, who shared their difficulties, who even established friendly relations with the aboriginals, and maintained them after he had been speared in the shoulder.

This was the best kind of documentary programme, relying largely on quotations from contemporary writing, yet always dramatically presented. Michael Pennington played Captain Phillip, low-voiced and courteous, and among a big cast, Humphrey Bower gave an apt hint of modern Australian accent as the Narrator.

RADIO

B. A. YOUNG

Quasi-history also comes from Capital on Sundays, in a series called, slightly misleadingly, *Tales of a City*. This deals not with great historical events but with footnote material, the object being to give some idea of what life was like in other times. You could compare it (very flatteringly) with Kipling's *Puck of Pook's Hill*. The first tale, *The Nun of Kilburn*, described an interview between a poor sister in Kilburn Priory and her successful nephew, some time in the late 14th century. They told stories about their several relations, like the lucky uncle, Abbot of St. Alban's, who was using the body of the murdered Edward II to lure pilgrims to his church.

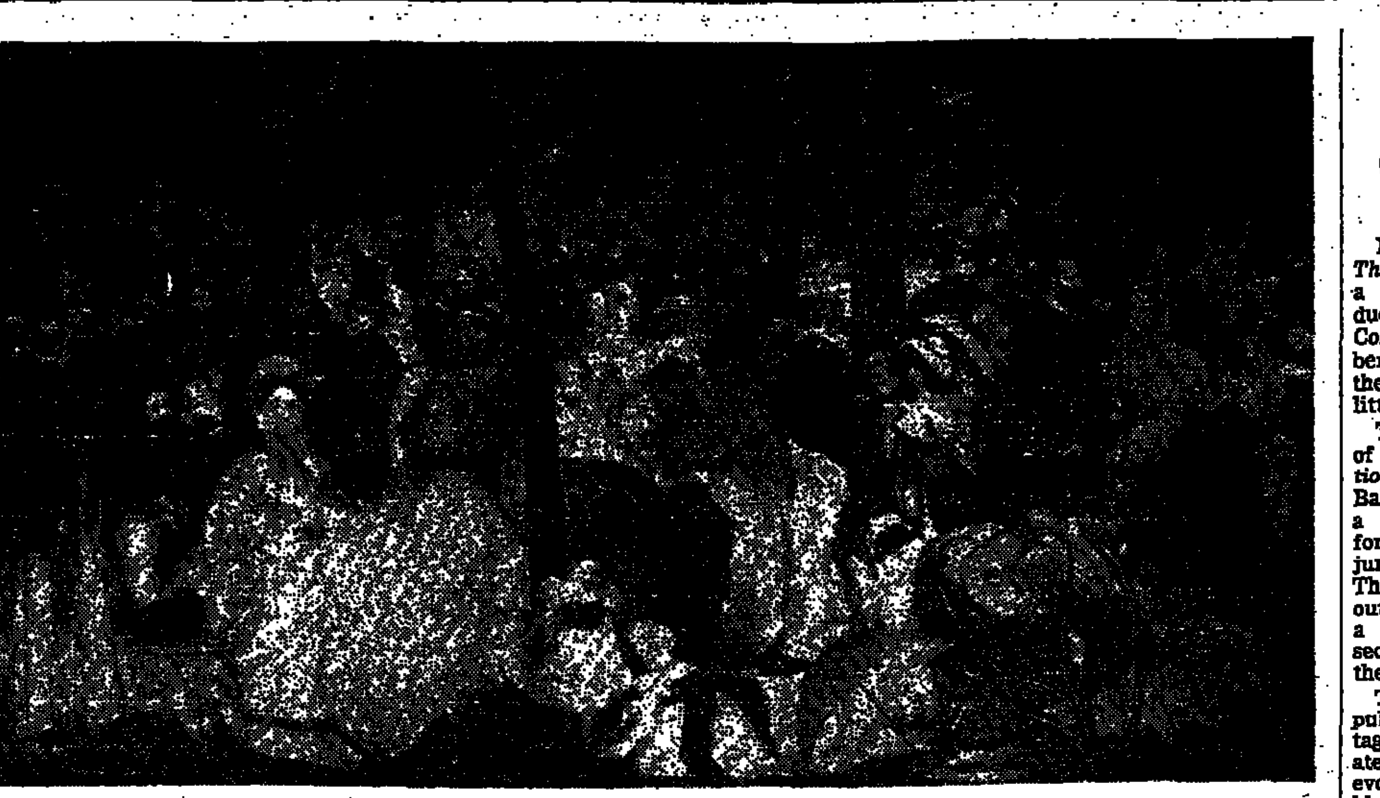
The next tale, last Sunday's, dealt with Simon Forman, the Elizabethan astrologer, a good anchor for his period. Tomorrow there is a peep at Mrs Sam Pepys; following that, Boswell's first meeting with Johnson; next, the Great Exhibition of 1851; and finally, as near to now as we come, the fight for the women's vote during the years of World War One.

Programmes of this kind, combining an easy charm with a temptation to know a little more, seem to me admirable.

Only a pace away from history was *Dear Countess* by Elizabeth Morgan, Radio 4's Monday play. It told the story of Ruskin, Effie Gray and Millais a story plentifully documented. Miss Morgan made a fine romance of it, as good as if it were fiction, and she had a fine company to play it. John Ruskin, hopelessly spoilt by his family, was played by Derek Jacobi with the right blend of superiority and indifference, and poor Effie moved convincingly in Bridget McCann's performance between passionate love, dutiful obedience and social gaiety. The author and Timothy West were Ruskin's parents, Madi Hedd was Effie's confidant Elizabeth Eastlake, and John Rye was Dr Acland, to whom Ruskin had to confess that the reason he hadn't consummated his marriage was that Effie had pubic hair, a detail his study of classic painting hadn't prepared him for. Michael Fenner was a cheerful, active Millais, and the director was Gerry Jones.

This sort of play expounds the emotions of the characters rather than the facts of the case, which are available in biographies and reference books. You might say the same about *Richard III*. *Dear Countess* will be heard again tomorrow at 2.30 pm.

What is required is the illusion of truth, even if truth has to be manipulated. Wednesday's Afternoon Theatre on Radio 4, Pam Valentine's *Poor Lonely Man*, told of a confrontation between an elderly *woman and her late husband's* mistress on the afternoon of her husband's funeral. The dialogue was best-quality stage working-class; the plot (though it took a lot of leading up to, including five minutes with characters who could have been dismissed in one) was ingenious in its way. I couldn't believe a word, so the climatic distress failed to move me at all. On the other hand, Monday's Afternoon Theatre, *Time Slip* by Wally K. Daly, kept me attentive. This was a science-fiction farce. The secret of farce is to make you believe in impossible, or anyway improbable, situations; and I did. Martin Jenkins was the director.



Detail from Manet's Music in the Tuileries Garden

The first of the Impressionists

William Packer reports on the Manet centenary exhibition in Paris

It all seems so very familiar: the two girls on the balcony with their suave, moustachioed companion; the young woman with her book and lap-dog, and the little girl in her charge looking down through the railings upon the Gare St Lazare; the two lovers beside the river at Argenteuil; above all, perhaps, and the very last thing we see in the exhibition, the Bar at the Folies-Bergere under the disarming gaze of the prettiest barmaid we ever saw.

But it is a deceptive familiarity, the creature of the gallery postcard, the Christmas Calendar, the cheap reproduction, indeed of the chocolate box; and we must take care, rather, not to take it all too lightly, merely nodding our acknowledgement to each such old acquaintance. It is to the collective, cumulative achievement that we must look, and very remarkable it is.

Edouard Manet died just a hundred years ago at the comparatively early age of 51, honoured by his peers as the first among them and newly secure in his more general reputation after the public controversies, amounting sometimes even to scandal, of earlier years. Manet, the first of the Impressionists: and indeed art history has always accepted him as such, in name at least — but then, in 1883, "Impressionism" itself was barely 10 years old, and born at that of a critic's gibe at a younger colleague's work.

His own notorious celebrity was won somewhat before, a child of the Second Empire and its uncomfortable, ambivalent morality, by the disconcerting realism of his dead *Torero* (c1864), the shamelessness of his *Olympia*, so emphatically naked with her bracelet and black ribbon (1863), and his party at its picnic in the woods, the very shocking *Dejeuner sur l'herbe* (1863).

All great art, one might say, is necessarily transitional; but the problem with Manet is that though the later Impressionists never failed to acknowledge their debt to him, so popular did their own work become, so convenient the label to history, and so long did they go on, that Impressionism itself has become fixed in the mind as the great transition, the definitive push towards modernism, at the expense of that earlier, perhaps more crucial turn.

We have tended too much to see and celebrate the single works merely as harbingers, mistaking the summer for the spring. There has been no proper survey, no exhaustive retrospective exhibition of Manet's life's work since the centenary of his birth until now; and this manifestly overdue exhibition at the Grand Palais in Paris (until August 1: thence to the Metropolitan, New York, for the autumn), is a revelation.

It shows him clearly to have been indeed the first of the Impressionists, and it is hard now to see how Degas and Monet, such very different artists, could each have gone so far in their work and so soon, without his lead. But his standing as the father of modern painting is rather more ramified than that; for his importance is not just that of the simple inovator, but also that of the necessary bridge that links the art even of our own time with what had gone before, all of it part of vital and continuing tradition.

Art is a continuum, though so close are our noses to the contemporary particular that we often miserably fail to notice the connection. The excitement there, with Manet in the Grand Palais, lies therefore, not just in what his work proposes in terms of later possibility and achievement, but very much in where it places him as a great master in a great tradition.

It was to Spain in particular that he looked, most especially to Goya but also by a natural and unforced extension to Velasquez; and always, along with Goya's directness and vivacity, his forceful imagery and unequivocal statement, there is in his work something of the refining, qualifying delicacy and the humane, ironical detachment of that greatest, perhaps, of all painters, that quiet, informing realism that we may see in the *Royal Dwarves* and the *Maids of Honour* in the Prado.

And like those of Velasquez, Manet's concerns, instinctively humane as they are, are never transmuted into overt social comment or polemic; which distinguishes his *Execution of Maximilian* from Goya's *The 3rd of May*, and was exactly what made his *Dejeuner* so very shocking.

Manet's was an ambiguous hedonism, his paintings their own justification and made for their own sake; and when the lesson in art history is over, first of the Impressionists or last of the Old Masters, no matter, we come back to the work as it is, on its own terms. We see at once what mastery is, nothing hurried or fudged. The statement here may be the barest, loosest suggestion; there, the fullest realisation.

The creamy paint is laid on, easy and certain, every mark in its effective place. The angel supports the dead Christ with a serene and poignant indifference; a young man leans negligently for ever against the studio table with its picnic lunch; the waitress turns easily above the heads of the café audience. There is all the time in the world.

The Communication Cord

BY MICHAEL COVENEY

Brian Friel's peculiar farce *The Communication Cord* was a mixed blessing when produced by the Field Day Theatre Company in Derry last September. Nancy Meckler's revival at the Hampstead Theatre does little to improve matters.

The play is a farcical send-up of the same author's *Translations*, set in a remote cottage in Ballybeg, County Donegal, that a suave barrister has loaned for the afternoon to a myopic junior lecturer in linguistics. The lecturer, Tim Gallagher, is out to impress the daughter of a pompous Senator and thus secure a position of tenure at the university.

The Senator is a pious Republican for whom the cottage, thatched and authenticated with such spuriously evocative mementoes as an old black kettle, an unpredictable fireplace, shaky oak beams and a chain for tying up cows, represents a true centre of peace and renewal in the confused Irish landscape.

The characters implicated in the rather laboriously established fracas include a German camper who wants to buy the cottage, an ancient lady peasant who believes the property is hers by right, and a couple of the barrister's former girlfriends. Tim's seven-year-old thesis is on Discourse Analysis with particular reference to Response Cries, with which unstudied yelps the action is littered as lamps are blown out by the south wind, identities confused and a *bikini* top passed in panic from hand to hand.

After the opening scene between the cottage owner (Brian Protheroe) and Tim (Stephen Rea), the action builds to its funniest sequence. This involves the Senator (the excellent T P McKenna), his daughter (Phyllis Logan), the blissfully uncomprehending German (Martin Cochrane) and Tim.

Crossed wires, in respect of both identities and language, buzz for quarter of an hour. When the lights go out, there is a tame echo of Peter Shaffer's *Black Comedy* and the Senator pays for his intoned pieties by getting clamped into the cow chain as he boastfully recounts its social history.

Stephen Rea repeats his flailingly energetic performance as Tim, but unfortunately Mr Friel repeats his flaccid writing performance in Act 2. The farce simply grinds to a halt and ends in the most arbitrary way by, literally, bringing the house down. Apart from Messrs Rea, Cochrane and McKenna, the actors are woefully uneducated in farce technique.

You really have to be Irish to see what Mr Friel is getting at in his central metaphor of living history and the polarised attitudes towards the cottage of the Senator and the barrister. The figure of the old peasant (Doreen Keogh), too, is a specifically critical treatment of an Irish myth. As always, Mr Friel's prose, line by line, is as good as any living playwright's. But farce is a serious matter and solid construction the chief prerequisite.

Stephen Rea and Phyllis Logan

Alastair Muir

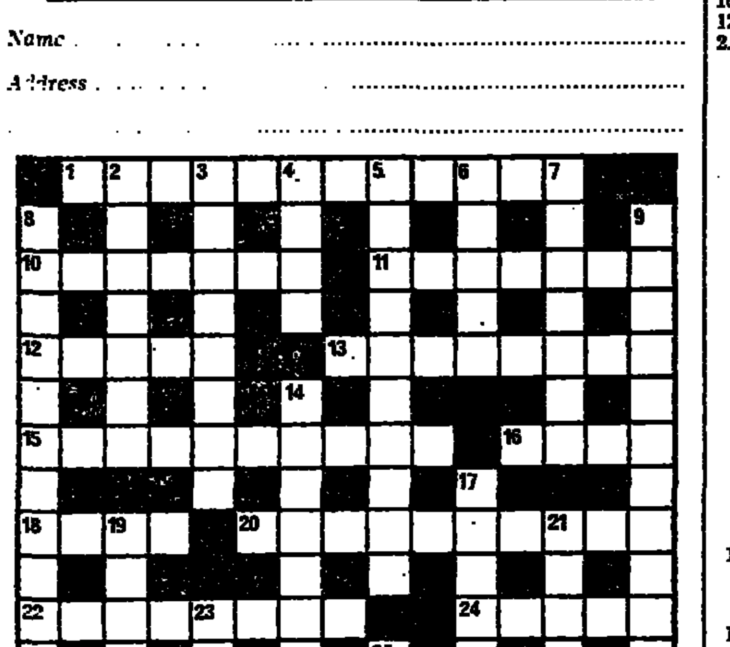
F.T. CROSSWORD PUZZLE No. 5,165

A prize of £10 will be given to each of the senders of the first ... correct solutions opened. Solutions must be received by ... Thursday, marked Crossword in the top left-hand corner of ... envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday

Name ....

Address ....

....



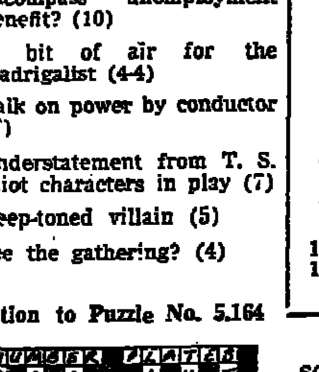
ACROSS

1 One causing capital reduction for psychiatrist (4-8)
10 Trespass with Peg, mini-dressed (7)
11 Decoration of cornets as food for enthusiast? (7)
12 Might one play draughts? (5)
13 In blissful state, proverbially (8)
15 Depth of new foundry-pit (10)
16 A little water put on butter in Cumbria (4)
18 These spirits are bad—I go to chemist (4)
20 Place for golfer to get excellent scores after depression? (10)
22 Ongoing pain in match at Lord's? Packer might find that useful! (3-5)
24 Band together? (5)
26 One must be crazy—can't sue when upset (7)
27 Get on to CID perhaps, about the pearls (7)
28 Mummy's guardian? (12)

DOWN

2 Grass to spare for spreading (7)
3 The oldest penny? (8)
4 Spur to get ball from scrum (4)
5 Close encounters? (2-8)
6 Sticky fighting in which comedian loses tail (5)
7 Eke a war out—stir again (7)
8 Underworld fixing is proving unsatisfactory (13)
9 For this lightest of tacks, first teach the embroidery (7-6)
14 Youth whose rise has to encompass unemployment benefit? (10)
17 A bit of air for the madrigalist (4-4)
19 Talk on power by conductor (7)
21 Understatement from T. S. Eliot characters in play (7)
23 Deep-toned villain (5)
25 See the gathering? (4)

Solution to Puzzle No. 5,164



† Indicates programme in black and white

BBC 1

6.25 am Open University. †8.55 Edgar Kennedy in "Home Canning." 9.15 Get Set. †11.15 Saturday Morning Film: "I See Ice," starring George Formby. 12.27 pm Weather.

2.30 Grandstand including 1.05 News Summary; Football Focus (12.40); Swimming (1.10, 1.35) the Sun Life International: Great Britain v Canada v USSR; Racing from Lingfield (1.25, 1.55, 2.20); Rugby League Cup Final: State Express Challenge Cup Final from Wembley Stadium, Hull v Featherstone Rovers; 3.40 Latest soccer scores; 4.40 Final score.
5.10 Mickey and Donald.
5.35 News.
5.45 Regional variations.
5.50 Dukes of Hazzard.
6.35 Pop Quiz.
7.05 Date with Danger: "Cave In!" starring Dennis Cole.
8.40 The Val Doonican Music Show.
9.25 News and Sport.
9.40 Dynasty.
10.30 "Fanny by Gaslight," a Victorian romance by Michael Sadleir, dramatised in four parts, Part 1.
11.25 Saturday Late Film: "The Boston Strangler," starring Tony Curtis.

REGIONAL VARIATIONS:

Wales—5.45-5.50 pm Sports News Wales.

Scotland—5.45-5.50 pm Scoreboard.

Northern Ireland—5.45-5.50 pm Northern Ireland News and Sport. 1.15 am Northern Ireland News Headlines.

England—5.45-5.50 pm London and the South-East: Sport; South-West (Plymouth): Spotlight Sport; All other English regions: Sport/regional news.

BBC 2

6.25 am Open University.
†3.10 pm Saturday Cinema Double Bill: "My Learned Friend," starring Will Hay, and at 4.20 "Hook, Line and Sinker," starring Jerry Lewis.
5.50 Grand Slam.
6.15 States of Mind.
7.05 L For Lester.
7.35 News and Sport.
7.50 Brahms: A German Requiem.
9.10 Roger Doesn't Live Here Any More.
9.40 Rugby Special: The Middlesex Sevens.
10.40 News On 2.
10.45-12.35 am Film International: "Shia Heike Monogatari" (Japanese film with English subtitles).

LONDON

6.00-9.15 am TV-am Breakfast Programme. 9.30 Sesame Street. 10.30 No 73. 12.15 pm World of Sport: 12.20 Ten Pin Bowling —Firestone Tournament of Champions from Ohio; 12.45 On The Ball; 1.15 News; *1.20 Diving — World Cup from Texas*; 1.45 Ice Hockey —Stanley Cup from North America; 2.15 Bowls—CIS Insurance Championship Challenge; 2.45 Speedway; 3.15 Bowls; 3.45 Half-time Soccer News and Reports; 4.00 Wrestling; 4.45 Results.
5.05 News.
5.15 The Smurfs.
5.30 Metal Mickey.
6.00 The Fall Guy.
7.00 Russ Abbot's Madhouse.
7.35 3-2-1.
8.35 T J Hooker.
9.30 Tales of the Unexpected.
10.00 News and Sport.
10.15 *The Big Match.*
11.15 London News Headlines followed by Paisley — A Champions Farewell.
12.00 International Darts — Match 3.
12.30 am Close with Sian Phillips.

CHANNEL 4

2.20 pm Power Play.
†2.45 Milestones of the Movies: "To Be or Not to Be," starring Carole Lombard and Jack Benny.
4.35 Password.
5.05 Brookside.
6.00 Square Pegs.
6.30 News *Headlines and* Weather, followed by 7 Days.
7.00 A Week in Politics.
7.45 Swindle: The Robert Vesco File.
8.45 World of Animation.
8.55 Malu—A Woman Now.
10.00 Bouquet of Barbed Wire.
11.00 The Late Clive James.
†11.50 Naked City.

S4C (WALES)

2.10 pm Staging an Opera. 2.35 Kill or Cure. 3.15 What a Picture. 3.40 As Good as New. 4.05 Raffaela Carra in London. 5.00 Yr Awr Fawr. 6.00 Switch. 7.00 Twyllo'r Teulu. 7.30 Newyddion Saith. 7.45 Antur. 8.15 Cerdd O'r Ceyrydd. 8.45 Capstick Capers. 9.15 Arolwg. 9.45 S.W.A.L.K. 10.15 Sam Goldwyn Presents "*The Secret Life of Walter Mitty*," starring Danny Kaye. 12.10 am Alfred Hitchcock Presents.

REGIONS

All IBA Regions as London except at the following times:—

ANGLIA

9.35 am God's Story. 9.50 European Folk Tales. 10.05 Metal Mickey. 5.15 pm "Voyage to the Bottom of the Sea," starring Walter Pidgeon, Barbara Eden and Joan Fontaine. 10.15 Match of the Week. 11.15 Studio. 12.15 am At the End of the Day.

BORDER

9.40 am The Adventures of Gulliver. 10.05 Metal Mickey. 5.15 pm Film: "Voyage to the Bottom of the Sea," starring Walter Pidgeon and Barbara Eden. 11.20 Paisley.

CENTRAL

9.35 am God's Story. 9.50 Larry the *Lamb in Toytown. 10.05 Vicky the* Viking. 5.15 pm Saturday Cinema: "Voyage to the Bottom of the Sea," starring Walter Pidgeon and Barbara Eden. 10.15 Star Soccer, hosted by Gary Newbon. 11.15 Paisley — A Champion's Farewell.

CHANNEL

5.15 pm Puffin's Pla(i)ce. 5.20 Cartoontime. 5.30 Happy Days. 6.00 Falcon Crest. 11.15 Paisley—A Champion's Farewell. 12.00 Randy Edelman Live in Concert.

GRAMPIAN

9.35 am God's Story. 9.50 Noddy. 10.05 *Metal* Mickey. 5.15 pm Feature Film: "Voyage to the Bottom of the Sea," starring Walter Pidgeon, Barbara Eden and Joan Fontaine. 10.15 Scotsport—highlights from Scotland and England league football. 11.15 Paisley—A Champion's Farewell. 12.00 Reflections.

GRANADA

9.35 am God's Story. 9.50 Cartoon Time. 10.05 Vicky the Viking. 5.15 pm "Voyage to the Bottom of the Sea." Fontaine. 10.20 Match Time. The North-west's very own football magazine programme. 11.15 Paisley—A Champion's Farewell. 12.00 The Late Film: "All Coppers Are . . ." starring Julia Foster, Ian Hendry and David Essex.

HTV

9.40 am The Flintstones. 10.05 Star Fleet. 12.13 pm HTV News. 5.13 HTV News. 5.15 "Voyage to the Bottom of the Sea," starring Walter Pidgeon, Joan Fontaine and Barbara Eden. 11.15 Paisley—A Champion's Farewell.

SCOTTISH

9.35 am Wattoo Wattoo. 9.40 *The* Smurfs. 10.05 Metal Mickey. 5.15 pm "*Please Sir*," starring John Alderton and Derek Guyler. 10.20 Scotsport. 11.20 *Paisley*—A Champion's Farewell. 12.05 am Late Call. 12.10 The Two of Us.

TSW

9.25 am Look and See. 9.30 The Saturday Show. 10.28 Gus Honeybun's Magic Birthday's. 10.30 Star Fleet. 10.50 The Fugitive. 11.40 The Brady Bunch. 12.12 pm TSW Regional News. 5.15 Newsport. 5.20 Cartoon Time. 5.30 Happy Days. 6.00 Falcon Crest. 11.15 Paisley—A Champions Farewell. 12.00 Off the Record. 12.30 Postscript.

TVS

9.35 am The Smurfs. 10.05 Metal Mickey. 12.12 *pm* TVS *Weather.* 5.15 Saturday News and Sport. 5.20 Cartoon. 5.30 Knight Rider. 6.30 Rising Damp. 10.15 The Saturday Match: Fred Dinenage introduces regional and national football action. 11.15 Studio. 12.15 am Company.

TYNE TEES

9.25 am Morning Glory. 9.30 The Fantastic Four. 10.00 "TT" Time. 10.05 Metal Mickey. 12.13 pm North East News. 5.10 North East News. 5.15 "Voyage to the Bottom of the Sea," starring Walter Pidgeon. 10.20 Shoot! 11.20 Thriller. 12.40 am Poet's Corner.

ULSTER

10.05 am Metal Mickey. 1.18 pm Lunchtime News. 5.13 Ulster News. 5.15 Feature Film. 10.14 Ulster Weather. 11.15 Paisley—A Champion's Farewell. 12.00 *Sports Results.* 12.05 am News at Bedtime.

YORKSHIRE

9.30 am Melotoons. 9.40 Tarzan. 5.15 pm "Voyage to the Bottom of the Sea," starring Walter Pidgeon. 10.20 Match Time. 11.15 Paisley—A Champions Farewell. 12.00 Profiles in Rock.

SOLUTION AND WINNERS OF PUZZLE NO. 5,160

Mrs J. C. Crabtree, 76 Church Street, Market Deeping, Peterborough.

Mr Peter A. Treasure, 37 Buxton Drive, New Malden, Surrey.

Mr J. Harvey, 10 Sawley Road, Breaston, Derby.

RADIO 1

(S) Stereo (when broadcast on VHF)

8.00 Tony Blackburn's Saturday Show. 10.00 Dave Lee Travis. 1.00 pm Guitar Greats: Eric Clapton (S). 2.00 A King in New York (S). 2.05 Paul Gambaccini (S). 4.00 Saturday Live (S). 6.30 In Concert (S). 7.30 Janice Long. 10.00-12.00 Gary Davies.

RADIO 2

8.05 am David Jacobs (S). 10.00 Sounds of the '60s (S). 11.00 Album Time (S). 1.00 pm The News Huddlines with Roy Hudd. 1.30 Sport on 2: *Rugby: The State Express Challenge* Cup Final—Hull v Featherstone Rovers; Racing from Lingfield Park at 2.15 and 3.00; Football: Second-half commentary on one of today's games, plus news and results from others: 5.00 Sports Report. 6.00 Country Greats in Concert. 7.00 Jazz Score. 7.28 Cricket Desk. 7.30 Big Band Special (S). 8.00 The Young London Ballet from the Royal Festival Hall, London (S). 9.00 Sir Geraint Evans' Farewell Concert (highlights) (S). 10.00 Saturday Rendezvous (S). 11.02 Sports Desk. 11.10 Pete Murray's Late Show (S) including 12.05 am Sports Desk. 2.00-5.00 Bill Rennells presents You and the Night and the Music (S).

RADIO 3

8.00 am News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.25 City of Birmingham Symphony Orchestra: Weber, Brahms (S). 12.15 pm Interval Reading. 12.20 Shostakovich. 1.00 News. 1.05 Music from the German Baroque (S). 2.00 Nielsen (S). 3.00 Piano Quartets (S). 4.00 BBC Philharmonic Orchestra (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 The Organ Music of Georg Bohm (S). 7.20 A Sense of Proportion (talk by Alexander Goehr). 7.40 Brahms, piano music (S). 8.15 Poetry Cambridge (report on the 1983 Cambridge Poetry Festival). 9.15 William Walton string quartet (S). 9.50 The English Concert (S). 10.45 The English Madrigal (S). 11.15-11.18 News. 11.45-3.30 am Russian Orthodox Easter Vigil from the Russian Orthodox Church in Ennismore Gardens, London.

RADIO 4

7.00 am News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's A Bargain. 7.55 Weather, travel, programme news. 8.00 News. 8.10 Today's Papers. 8.15 Sport On 4. 8.48 Yesterday in Parliament. 8.57 Weather, travel. 9.00 News. 9.05 Breakaway. 9.50 News Stand. 10.05 The Week In Westminster. 10.30 Daily Service (S). 10.45 Pick Of The Week (S). 11.35 From Our Own Correspondent. 12.00 News. 12.02 pm Money Box. 12.27 The News Quiz (S). 12.55 Weather, programme news. 1.00 News. 1.10 Any Questions? 1.55 Shipping Forecast. 2.00 News. 2.05 Thirty-Minute Theatre (S). 2.35 But, Chancellor. 3.05 Wildlife. 3.30 Groundswell. 4.00 News. 4.02 International Assignment. 4.30 Does He Take Sugar? 5.00 So You Want To Be A Writer. 5.25 Week Ending (S). 5.50 Shipping Forecast. 5.55 Weather, travel, programme news. 6.00 News and Sports Round-up. *6.25 Desert Island Discs* (Actor Arthur English) (S). 7.20 Stop The Week With Robert Robinson (S). 8.00 Richard Baker (S). 8.30 Saturday Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 The Plant Hunters. 11.00 Lighten Our Darkness. 11.20 Stop The Week With Robert Robinson (S). 12.00 News.

CHESS SOLUTIONS

Solution to Position No. 473

1 PxN? RxB! 2 RxR, P-N6 (3 R-B3, P-B5!) and Black's pawn queens. Instead 1 R-B1! RxR (if RxN ch; 2 KxR, RxB; 3 B-K2! traps the knight); 2 BxR, N-B5; 3 P-R6 will win as the two bishops outplay the rook.

Solution to Problem No. 473

1 R-R2 (threat 2 Q-Q2 and 3 Q-R6), P-B4 (to meet 2 Q-Q2 by P-B5); 2 B-R1! N-N5; 3 Q-QN2 and 4 Q-KR8 mate.

THEATRES

WINE/COLLECTING

German 1982s: great quantity, little else

BY EDMUND PENNING-ROWSELL

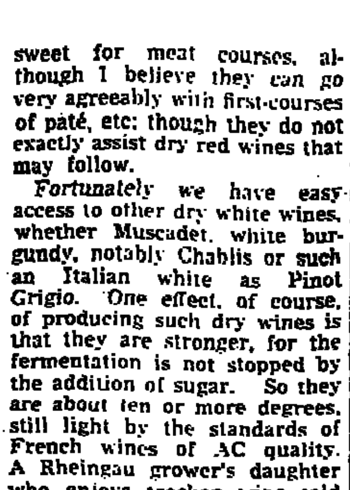
UNTIL THE RAIN came at the beginning of October the 1982 German wine vintage promised very well. The result was a delayed, diluted vintage of record size. Whereas a decade ago an average crop was between 6m and 8m hl, last year it was something between 15m and 16m hl. The result, as I can testify from tastings in the leading wine districts, is some very "green" wines and a surplus of the lower-category quality wines (c 70 per cent), a shortage of the higher-class Kabinett wines (c 17 per cent) and a very small percentage of Spätlese types. Auslese and higher types are to all intents and purposes out. As the wines I tasted were either cask samples or bottled only a few days earlier, no doubt they will improve in bottle. But 1982 will not be *more than an average wine* for reasonably early drinking.

Unfortunately Germany has not had a really good vintage since 1976, whose wines are still superb. Nineteen seventy-seven and 1978 were very poor indeed, 1979, *somewhat* better and at least acceptable, but 1980 was a wash-out and 1981 variable. In the Moselle and Palatinate the 1982s are judged better than *the previous* year, but 1981 was superior in the Rheingau. Rheinhesse and Franconia, and about equal in the Nahe. It is suggested, however, that the Rheingau, Rheinhesse and Nahe wines had more style and character in 1981. These are generalisations, and much depends on the skill *of the producer, when he picked* and how much he made.

Quality, and quantity *too,* depend on the grape variety employed. There is no question that the Riesling provides the best German wine, but it is less prolific and more *difficult* to produce than the Müller-Thurgau, which averages 50 per cent more. Last year fantastic yields of over 300 hl per ha were registered for the latter, while the Riesling in the Moselle averaged 180 hl, though the better growers kept it down to around 120 hl; still more than double the quantity of a fine white burgundy. The "home" of the Riesling lies in the small Rheingau region and in the Moselle-Saar-Ruwer, but in the last 18 years the percentage of Riesling planted there has dropped from about 80 per cent to 56 per cent. It is falling less in the Rheingau, and marginally in the other areas where it has never been prominent. Müller-Thurgau accounts for more than 50 per cent of vine plantings, but there are also a number of new varieties, such as Scheurebe, Bacchus and Optima, developed to produce frost-resisting, early *ripening types in these northern* vineyards.

Tasting young wines in Germany is a somewhat different operation from that in France, and in some ways more difficult. In the first place the wines are served in very small glasses, usually tumbler shape and often attractively adorned with the insignia or arms of the producer. If with incurving *rim, like a mini-Paris* goblet, they are still very small. To secure a tastable amount of *wine* both types are normally filled, so the wine cannot be swilled around to encourage the aroma, as in the large glasses usually provided in French and even Italian cellars and tasting rooms. Indeed though fine German wines have the most exquisite bouquet, it is surprising to find both in restaurants and homes that the glasses are usually on the small side. The tall-stemmed, slightly cut Moselle glasses are pretty, but disperse the aroma too widely, and are usually filled to the brim.

The other peculiarity of German tastings is in the number of wines of a single vintage that you will probably be shown. The French grower is likely to have one *only, unless he has a* second wine. The German producer, on the other hand, will not only have a Quality and a Kabinett, but in a good year a Spatlese and Auslese. And these days he will surely have *the now* fashionable trocken (dry) and halb-trocken (half-dry), whose maximum residual sugar content is strictly regulated. Further he is al*most certain to own strips in* more than one site. So a small Trittenheim grower that I visited had 1982 wines from the Apotheke and Altärchen vineyards, but also some *from* Neumagen next door: nine *different* wines. To take an extreme example the Rheingau estate of Schönborn owns part of 45 vinyards in 13 communes. Most trocken wines ruled out. *I tasted a mere 22 others before*



moving on to some older wines.

The saving grace is the low alcoholic strength of German wines. Whereas French and Italian wines are likely to be around 12 degress, and burgundies 13 or so, German wines are *usually in the eight to 10 degree* bracket. This is partly because the lack of sun and warmth in the northern climate means less sugar in the grapes to turn into alcohol, *and partly because the* fermentation is stopped by the addition of unfermented grape juise (süss-reserve) or, with the top qualities, the yeasts are *killed by the sheer weight of* sugar. So one can taste a long line of German wines without the jading effect of a similar exercise in France or Italy. So *much so that spittoons are* by no means always part of the standard equipment for German tastings. This generally low-strength is one of German wines' great advantages. One *can polish off a bottle without* suffering the after-effects likely to follow in France or Italy.

In the last few years the fashion for dry wines has taken Germany by storm, and attributed always to the gastronomic press. So famous estates as Schloss Vollrads in the Rheingau sells 90 per cent dry wines within Germany. In Trier Kesselstatt that owns 100 ha makes 60 per cent trocken and halb-trocken. It is generally thought that these wines now account for 40 per cent of total production, and the percentage is *rising. Not everyone likes the* term "halb-trocken." So the Rheingau State Domain calls it "Feinherbe" while Schloss-Vollrads has re-christened *theirs* "Gourmet Table Wine," which, perhaps, puts off as many people as it attracts.

It is admitted in Germany that so far these dry wines are *not popular in Britain or in the* U.S., and I certainly share that view. While the Germans say they go well with food, particularly with fish, I find them green, severe and austere, particularly those from the drier wine areas of the Moselle-Saar-Ruwer and Franconia. Elsewhere they are a little fuller, and the halb-trocken can be acceptable. One sees the problem, because at least for sophisticated palates even the dryer Kabinett wines can be too sweet for meat courses, although I believe they *can go* very agreeably with first-courses of paté, etc; though they do not exactly assist dry red wines that may follow.

Fortunately we have easy access to other dry white wines, whether Muscadet, white burgundy, notably Chablis or such an Italian white as Pinot *Grigio.* One effect, of course, of producing such dry wines is that they are stronger, for the fermentation is not stopped by the addition of sugar. So they are about ten or more degrees, still light by the standards of French wines of AC quality. A Rheingau grower's daughter who enjoys trocken wine told me that *after* two glasses of (higher strength) red wines she falls asleep!

I will follow this article with some more detailed comments on the wines, but it is worth mentioning here that owing to the huge crop and to a poor level of demand within Germany itself, the 1982s will *not be any dearer* than the 1981s: that is, cheaper in real money terms. They are likely to taste much better in the autumn, after six months in *bottle. Nevertheless all too* many German wines of Kabinett and upwards in quality are drunk too soon, for after a couple of years or so the balance *of sugar and acidity is more* harmonious.

High street wines

MARKS AND SPENCER sell *wine* in 250 out of their 255 stores, but in the smaller ones only about 20 of the 45 they list will be available. Customer-warm stores are not the best places for the display of wine, but I am assured that no bottle on their free-standing display counters is there for more than *three* weeks, though one would prefer to see their two sparkling wines lying down. Technical experts in champagne have shown that bright light can *affect a bottle of champagne* within 24 hours, though we amateurs are unlikely to notice it. As with its other goods, M and S goes first for quality rather than price, though *that* must be a factor too in High-Street competitive selling. Surprisingly, for a long time they have not had a Côtes du Rhône, one of France's best-value red wines.

I asked them to *show me* around a dozen wines, and these are the ones that I preferred.

Chablis 1981 (£3.99). Green-tinged and a shade green in flavour, but with a true, clean chablis nose and typical dis*tinctive taste.* Excellent wine.

Liebfraumilch Rheinpfalz (£2.39 and £2.99 a litre). Nice nose, not over-sweet taste, thanks to a touch of acidity. An easy-to-drink wine.

Claret (£2.59). Though obviously rather young, has a real claret nose, and might well *improve with even six-months'* bottle-age.

Chianti (£2.99 a litre). This 11.50 degree wine has big colour and the somewhat inky aroma of young Chianti *without the* excess of tannin that makes many so aggressive on the palate. Very good value.

Rioja, Marques de Romerol, 1974 (£3.19). A Gran Riserva wine, with the vanilla/oak *bouquet and taste* that marks a good mature rioja. For me the best of those shown.

Champagne, Brut (£7.99). From the Co-op on the Côtes des *Blancs, this has the fine but dry* nose and flavour of a blanc de blanc, not over sugared, and much more distinguished since it was changed from Sec. Good value for the real thing.

Pale Dry Fino Sherry (£2.49). A *nice* light fino of a style that is the best-value aperitif for those who like it dry.

Now thrive the armourers

BY JANET MARSH

THERE HAS probably been more armour around London this week than at any time since the Wars of the Roses. On Thursday Sotheby's sold the great Hever Castle collection formed by Waldorf Astor in the first years of this century. Next Wednesday Christie's has another good sale, though necessarily overshadowed by the Hever event. Between them these two sales have brought some two dozen whole suits of *armour to the market.* Ordinarily the intervals between the appearance even of single good armours is measured in years rather than months.

The armours in the Hever collection were more than good. One of them, a *three-quarter* suit made for Henri II of France by the Milanese master Giovanni Paolo Negroli, sold for £1,925,000, the highest price paid for a single work of art. Richly embossed in *high relief and extravagantly* gilded, it is a great showpiece of the armourer's art. Its provenance is proved by the existence of a portrait of Henri II actually wearing it.

Such elaborate decoration in *fact tended to defeat the prac*tical purpose of armour. The essential virtue of good armour was to present a glancing surface to deflect the blows of edged weapons.

Protruberant scrolls and *Medusa heads dangerously* broke up these surfaces. Perhaps it is significant that Henri II, an enthusiastic patron of the Italian armourers with their delight in decoration, *died* when a lance pierced his armour *in the tournament of 1559.*

It was ironic that the art of the armourer reached its apogee, in the late 15th and 16th centuries, at the very time when plate armour was becoming an anachronism. The moment firearms made their appearance on the battle-field, the days of armed chivalry were numbered. The 17th century saw the great suits of heavy *armour that covered the body* from head to foot reduced to half and three-quarter armour —less elegant, with its huge falls of protective "tasses" over the thighs, but more practical for modern warfare, at least *until firearms grew* too deadly in power and aim.

Even while its effectiveness on the battlefield was diminishing, fine armour continued in demand for ceremonial occasions, for tournaments and to mark out *commanders in the* field by the splendour of their suiting.

It also came in handy to supply acceptable gifts for diplomatic occasions. For centuries the finest armour came from Augsburg, Nurnberg and Milan, where there were dynasties of great artist-craftsmen. It was de rigeur for the well turned-out gentlemen of France, England and the rest of Europe to order their armour — de*pending presumably on current* political alliances — from these alternative centres in Northern Italy or South Germany.

Fashions in armour changed almost as fast as feminine modes; and the student can date and *place armour fairly* closely from style. When steel plate armour definitively superceded chain mail towards the end of the 14th century, Gothic forms prevailed in *the design.* The early 16th century brought new, rather more stream-lined styles.

The "Maximilian" fashion, dominant in Germany in the first quarter of the 16th century produced *some of the most* chic creations in the history of armour. The nipped waists, parallel fluting and highly polished "greaves" fitting tight to the shape of the calves, had an even erotic elegance. The "Maximilian" suits, as this photograph of a composite armour from the Hever collection illustrates, can look oddly like today's space-man fantasies.

A composite "Maximilian" suit of fluted armour, c. 1520 from the Hever Castle Collection

The influence of the arts of the Renaissance, added to a growing sense of the romantic and archaic aspect of suit armour, produced decorative extravagances like the Henri II suit. The Negroli *family who* made it were also largely re*sponsible for* a revival of armour in the antique Roman style.

From the moment that armours became works of art, they began to be collected. Phillip II established the Royal Armoury in Madrid in 1565 *in* memory of his father Charles V; and most of the other great aristocratic and royal collections date from around the same period.

The Gothic revival and Walter Scott between *them aroused* more popular interest; and the 19th century saw a good deal of faking of armour, to supply the needs either of collectors or of the staged tournaments that enjoyed a period of *popularity in early* Victorian times. A few 19th century *pieces turned up in Waldorf* Astor's collection: Sotheby's found a nice sale-room euphemism for his less successful buys: they call it "Armour of the Historismus Period."

Expertise in armour requires mastery of a polyglot terminology, somewhere between that of the modiste and the surgeon, with words like skull, *breaths, gorget, pauldron,* besagne, vambrace, cuisse, paulein and sabaton, to describe some of the many elements that made up a suit, from head to foot.

With so many parts, held together with straps and hooks, it is not surprising that very few suits have remained intact. The Hever collection was exceptional if only because eight out of its fourteen suits had survived complete. The majority *of suits* that now appear on the market are "composite," made up of more-or-less contemporary and matching elements from different armours.

Even 19th century reproductions and composite armours can command very high prices today; but in addition to a *deepish pocket, it would now* take a lot of patience to embark on a serious collection of armour. Certainly not even the buying power of a Waldorf Astor could ever again bring together a collection of the *quality* of the armory he acquired (in a remarkably short space of time: less than a decade) to decorate his castle.

Alan Forrest reports on a Liverpool legend

Why our Bob excels

A final honour for Bob Paisley on receiving the 1983 Milk Cup for Liverpool, a privilege usually reserved for the team captain.

WHEN I last saw Liverpool play —at Brighton for a 2—2 draw after being 2—0 down for three-quarters of the game—Jimmy *Melia, Brighton's manager,* turned up to talk to the Press after the match. Bob Paisley, Liverpool's boss, didn't. "Mr Paisley asks to be excused," he were told.

This is typical of Paisley whatever happens to Liverpool. When he talks about talking to "the media" you see a kind of curl of the nostrils, which indicates a bad smell, but he *says it isn't because he dislikes* journalists—it's just that he tends to say things hastily and regrets them after they have made headlines in the national papers.

In tonight's Granada television documentary on his life as Britain's most successful football manager, Paisley contrasts himself with the late and great Bil Shankly. "Bill used to wear steel tips on his shoes so they could hear him coming down the street. I don't really like socialising."

Bob Paisley's nine years as Liverpool manager is celebrated by the documentary—Bill Shankly, his predecessor had a similar TV tribute.

Bob Paisley retires at the end of this season. His nine years as manager has brought Liverpool six League championships, three League Cups, a hat-trick of European Cups, and an OBE for himself which Laurie McMenemy, Southampton's manager says means: "Our Bob Excels."

Nottingham Forest manager Brian Clough, who presents tonight's documentary, says: "He's a wily old fox. He's a hard man, too. And he's the world's worst loser, but he doesn't lose very often."

Paisley, born in Hetton-le-Hole, Co. Durham, has been *with Liverpool as player and* club official—apart from war service in the Royal Artillery—since 1939. Before that, he was a pithead worker and a bricklayer—"then I decided football was better." Like all old soldiers, he talks nostalgically about his past battlefields—his return to Rome when Liverpool won their first European Cup under his managership. "I'd been there during the war and when we won I was drunk inwardly and I didn't need a drink."

His financial record with Liverpool is pretty good too. He has spent £5.5m in nine years on 25 players—they include Kenny Dalglish—and sold 35 players for £3.5m. As Clough says: "That means *he's* £2m down. Some managers have lost more money than that on failure."

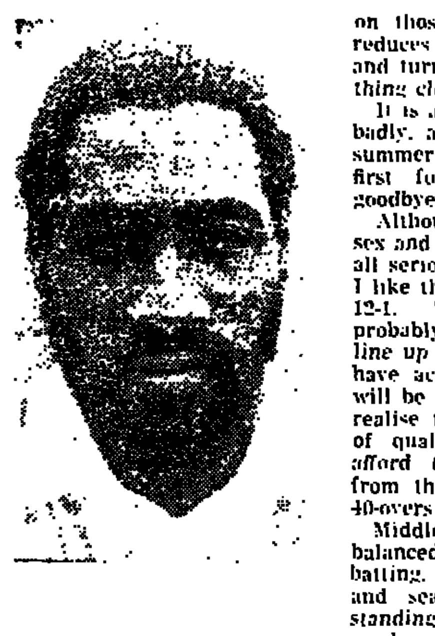
Tonight's documentary takes the viewer into the famous *Boot Room at Anfield.* This is the place for drinks and chats after a game. It is said that Paisley never criticises anybody on these occasions—"win, lose or draw, there's a drink," but some people say that his views are made clear on the team sheet for the next game.

What happens to Paisley now? Many *football fans* thought he should be given the job of England manager. But people close to him think he may be too much of an introvert—"the job needs a diplomat and Bob isn't that," an experienced sporting journalist said.

Brian Clough, a worshipper at the shrine, but still a dedicated rival, says "He's won *just about everything. Now he's* retiring and it's reassuring to know he'll win nowt else."

Trevor Bailey looks at his betting book

What's the odds on cricket



WHAT can bookmakers tell you about the cricket strengths and weaknesses of the 17 first class counties? *Quite a lot, judging* from the odds offered by Ladbrokes before the start of the Schweppes County Championship Stakes which began last weekend—the most demanding of this summer's four competitions.

Glamorgan, Gloucestershire and Warwickshire were offered at 100-1 but these enticing odds were reduced considerably for *the three limited-overs tourna*ments, in the case of Gloucestershire, arguably the weakest of all the contestants, to 66-1 in the NatWest Trophy, 40-1 in *the John Player League and* 66-1 in the Benson and Hedges Cup.

The main reason for this is the different challenges of the three-day and the one-day matches. In three-day cricket, *it is usually necessary* to bowl the opposition out twice, to win the match. The insipid attacks of the three clubs mentioned, and for that matter at least an*other six, must put more than* half of the counties out of serious reckoning.

In contrast in limited-overs cricket, containment rather than dismissal, is the main objective of a side's attack, assuming its batsmen score enough runs.

The most difficult competition in which to pick the eventual winner is undoubtedly the NatWest Trophy. This was well illustrated last summer. Although Warwickshire finished at the bottom of both the Schweppes Championship and the John Player League—which *must qualify them for the title* of the worst team of 1982—they still managed to reach the NatWest final. It may be remembered that Glamorgan were also losing finalists in 1977 *with* what was probably an even weaker side. In these circumstances Gloucestershire (66-1) Worcestershire (40-1) and especially Yorkshire at 25-1 *now* represent distinctly tempting odds.

The Benson and Hedges is harder to win because each county has to fight its way through the zonal sections. This *season, five potential winners—* Northants, Hampshire, Kent, Somerset and Essex—find themselves bracketed together in the same group of which only two *can reach the knock-out stage.*

The favourite must be Somer*least one honour for three very* good reasons: Vivian Richards, probably the best batsman in the world, Joel Garner, the most feared bowler in all types *of cricket and Ian Botham, who* is quite capable of regaining from Imran Khan, his title as the finest all-rounder. In addition Brian Rose is an above *average skipper and has some* useful backup material.

The Sunday League is usually won by a club which scores quickly and consistently, fields well, bowls reasonably set who should again win at *accurately and enjoys some luck* on those occasions when rain reduces the numbers of overs and turns the result into some*thing close to a farce.*

It is also almost fatal to start badly, as Essex discovered last summer, when having lost their first four matches and said goodbye to the title by June.

Although Somerset, Middlesex and Sussex, the holders, are all serious contenders this year I like the look of Northants, at 12-1. The Midlanders have probably the strongest batting *line up in the land. Now they* have acquired Kapil Dev they will be very formidable if they realise that with their number of quality batsmen they can *afford to attack the bowling* from the very beginning of a 40-overs game.

Middlesex possess the best balanced side, with sufficient batting, an abundance of pace and seam bowling, two out*standing spinners and plenty of* good reserves. Mike Gatting, should prove a good captain, though he could well be on duty with England for much of *the season, which makes one* wonder why his committee did not settle for, shall we say, Emburey.

The power and potential of Middlesex is reflected by these Ladbroke odds: Schweppes, 5-2; NatWest, 9-2; JP 5-1 and B and H 4-1.

Other teams which could have a serious interest in the county championship are Sussex, Essex —like Middlesex, a well balanced outfit—Surrey, Kent—if their home pitches are not too good—Somerset, possibly Leicestershire and Hampshire, who were the most improved county in 1982. Lancashire is the team which has consistently failed to do itself justice in recent years, but might cause a *major upset.* At 12-1 in the NatWest and 16-1 in the JP they make a most attractive double but I shall be having a little flutter on Essex for the same double.

Lime green on the links . . . Roger Paul reports

Punk golf in the Black Country

LIME GREEN balls, golf's equivalent of the safety pin through the nose, are here to *stay. So too are orange golf* balls, so too are brightly coloured golf shafts, woods made of metal and clubs deliberately designed to look odd, in *the manner of your neighbour*hood Mohican with the funny, punk hair.

The face of golf is changing. It has always been a fashionable game; now it is increasingly becoming a vehicle for fashion *as technology allows the inno*vators to fulfil their fantasies while maintaining golfing standards.

It is now possible to find yourself, as I did recently, staring down at a lime green *ball and* be addressing it with a metal headed wood with two runners *on the sole plate.* Cobra calls the club a baffler and very efficacious it is too in the matter of removing you from the rough and depositing you a long way *forward.*

But is it golf, you ask your*self? Is this the thing you came* to know and love? Well, yes it is, and the point was emphasised at Augusta last year when, in those august surroundings, Gene Sarazen and *Byron Nelson came* to the first tee as starters to the U.S. Masters to play nine holes at the front of the field.

There was all the usual hoopla from the announcers about these wonderful servants of the *game and the great traditions* they had honoured and observed and then the little man in the plus fours, Sarazen, bent down to tee up his ball. It was a *greenie and his wry smile* said it all.

Nowhere is punk golf being advanced more rapidly than in the unlikely surroundings of *darkest Oldbury,* between Birmingham and Wolverhampton deep in the Black Country. There Accles and Pollock, a happily thriving concern, makes *millions of golf club shafts and* exports them all over the world.

But *some of those shafts are* now made in colours-to-wince-by Post Red, Burgundy, Olive Green, Bright Blue and an even brighter White. They mostly *go to California where* gimmickry is obligatory, but they will spread.

Metal woods are contributing hugely to golf's new look. Pittsburgh Persimmon, they call them in the U.S., and all the *major manufacturers are now* producing versions of this contradiction.

Dunlop, with a sensitivity not reflected by some of its com*petitors, has produced* a metal driver which for a reason that no one suspects at first, actually looks like a golf club. After inspecting it for a while it suddenly becomes obvious. They have put some totally unneces*sary whipping at the bottom of* the shaft to give the illusion of a more traditional club.

Dunlop is also the manufacturer of a new range of clubs *designed to remove what* could be described as the single most traditional element left in golf, the slice.

In a sideways game like golf, to draw the club across the ball is almost automatic, and most golfers also leave the club face open as well, so that the ball is forever flying off into the trees on the right.

John Jacobs, a respected *teacher of the game,* has designed some clubs which are meant to alleviate the *problem.* He maintains that his clubs will enable the slicer, using his natural swing, to hit the ball straighter. He also avers that *since the top* professionals almost to a man, hook the ball, club design in the past has been biased according to their needs rather than those of the average hacker.

His theories are as ever sound, *although* I have to say that a field test with the rdiver produced one slice *of such* virulence that helpless laughter was the only antidote. Slicing, I *fear, is like* alcoholism and can only be cured by total abstin-

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Why the teasing has to stop

WHILE CONSERVATIVE Central Office broods over its computer analysis of the local election results (our own less technological appraisal appears on this page), the City has decided it knows the answer. *The election will be soon,* and Mrs Thatcher will win it comfortably.

This suggests that the City regards Mrs Thatcher's show of indecision as a tease, and it must be admitted that she appears to enjoy her role as mistress of suspense; but there is no need to jump to any such unagllant conclusions. The City *is not much pre-occupied with* the political niceties—whether a new programme has been adequately thought out, or whether new candidates have had time to make their mark. It responses mainly to economic and world events, and these continue to argue for an early decision.

This may seem an odd judgment of the home economy, for the received wisdom has recently been that we are only now embarked on the first genuine, unmistakeable recovery *since the present* Government took office, and that it still needs time to prove itself convincingly to the man in the street. However, there are increasing signs that this both underestimates what has already happened, and may be too hopeful about the outlook for the next few months.

Reaction

The real clue here is consumer spending and borrowing. The strong performance of retail sales in recent months has been financed heavily on borrowing, which has been growing at an annual rate of nearly 15 per cent since last summer, *after allowing for* rising prices. This has been assisted by the abolition of hire purchase control, and by falling interest rates; but it is also a *sign of confidence in the future.* What is more, rising consumption is what the man in the street expects from recovery; he is already experiencing it.

It may be too good to last, though. Consumer debt now stands at an average of more than six months' income, a level which is historically seen at the peak of each borrowing cycle. This is normally followed by a reaction, as consumers settle down to the grind of paying off the instalments. Those close to the money market believe, *indeed,* that this reaction has already set in, with reports of a sharp fall in loan demand. It may be some time, then, before things look any better in the high streets than they do now.

Students of Confederation of British Industry industrial surveys will not be dismayed by this news. After all, they will say, the recovery was never supposed to rely on home sales: the big change has been the pick-up in export demand. Look at Jaguar, for example, contemplating a night shift again to meet the growth in overseas sales, and despite a near-sensational improvement in productivity (tripled in four years).

Argument

Again, the economic analysts are ready with a cold douche. *The big rise in industrial optimism,* they argue, was based on a 15 per cent fall in the value of sterling, which resulted in a striking recovery in competitiveness. However, more than half that fall has been reversed in recent weeks; events may fall well short of the optimism of early spring, so there is little to be gained by delay.

This is quite a weighty argument, but also an ironic one. If the strength of sterling does weaken the argument for waiting on further recovery, it will be partly because the City is, as so often, indulging in self-fulfilling daydreams. Sterling is strong quite largely because the City expects an early election; the arguments for going early are stronger when sterling is strong.

All this may be dismissed as too parochial a view. After all, the U.S. recovery now seems to be gathering force, after a hesitant start, and this is a locomotive for the whole world. This *argument is likelier to* convince Americans than it is British Ministers who have lived through such a series of false dawns. Go, then, while things look good.

It is also worth noting that a strong U.S. second-quarter is not entirely good news, for it weakens the case for the much-discussed cut in U.S. interest rates. There may still be a token move to celebrate the Williamsburg summit, but not the sort of drastic cut which would radically improve the world outlook.

Finally, the political symptoms are themselves becoming unmistakable: Parliament is sliding onto a kind of terminal inanity, and *the City's mood is* evidence in itself: the financial markets seldom place heavy, losing bets.

POLITICS TODAY

Towards a June election

By Malcolm Rutherford

THE answer to the first and perhaps only question which anyone trying to follow British politics is interested in is: "Yes, it is still overwhelmingly probable *that there will be a general* election next month." And, to chance the arm a bit further, it is very likely that the Conservatives will win with a handsome overall majority—almost as a large, if not larger, than they have at present.

But it was hardly a pre-planned campaign. As recently as last February, when Mrs *Thatcher first broached* the subject of the election timing with Mr Cecil Parkinson, the party chairman, and Mr John Biffen, the Leader of the House, she declared her preference for March next year. Mr Parkinson was aghast at the time.

Nor do the results of the local elections last Thursday have *much to do with it. The fact* is that a June election had become pretty much unavoidable once the Prime Minister refused to rule out the option. To escape from June now would look as if there was something in the results that made it better to to wait, and that would begin to seem like Micawberism: waiting for something to turn up.

It was always unfortunate that the local elections coincided with the anniversary of Mrs Thatcher's fourth year in office, for they were bound to be taken as a test of national opinion and of when she should go to the country.

In fact the turn out is so low and the incidence so limited that they reveal very little that *is not known already.* If the Prime Minister really had to decide the election date on the basis of the local results, she would be in a considerable quandary.

There is a school of thought that the computer in the Conservative Central Office will produce a complete analysis of the results in the next 24 hours *or so.* But that, of course, depends on what is fed in. Some Tory MPs think that there is no way in which they can produce their own local analyses on time. The voting patterns under the new boundaries will be interesting to study, but only at local level.

So the exercise at Central Office this weekend is to some *extent a red herring.* It would take a considerable act of courage on the Prime Minister's part to get out of a June election, even if she wanted to. And the courage might just look like running away, rather as Mr James Callaghan did in September 1978. True, Mrs Thatcher, unlike Mr Callaghan, still has a large Parliamentary *majority and could reasonably* continue in office for another year. But the option seems to have gone. Not least, to hang on now could be taken as a blow at central office as well as a sign of indecisiveness over the past few weeks.

So what do the local elections tell us? The answer is: what we knew before, only more so. The Conservatives do *still* enjoy a large lead in the country as a whole, as suggested in the national opinion polls. How else could they have held Birmingham? But there is still an awful lot of uncertainty.

Philip Thompson

The local election results: food for thought for Mr Jim Mortmer (left), the Labour Party general secretary, and Mr Cecil Parkinson (right), the Conservative Party chairman.

It was notable, for instance, that Mr Parkinson, who had previously argued that local *elections are a guide to national* opinion, seemed to be retreating slightly in his various radio and television appearances. The results, he said, were one factor in the decision on the election timing, but only one factor. That is not quite how he was talking last week. Obviously, there was a degree of disappointment in the outcome.

For the other parties, too, it was a mixed night: the Liberals losing Liverpool yet winning Chelmsford, Labour doing very well in the north east and perhaps coming through on the outside in Cambridge where much of the old Tory vote seemed to go to the Alliance.

If you looked at the results without previous knowledge of British politics, one fact must have stood out. That is, whatever the commentators were saying, the figures show that the vote for the Social Democratic-Liberal Alliance had gone up. True, the national average was still only around 22 per cent. But the objective observer *would query the use of that* world "only." In the days when it was the Liberal Party alone, it was not very often quite that high.

Mr Parkinson quoted "his friend," Mr Norman Tebbit, the Employment Secretary (almost the new Tory Party), as saying that if you extrapolated the size of a tadpole on the basis of three days' existence, it would grow into a whale within three months. Some Social Democrats seem to have done just that. They have over-*estimated their growth* possibilties, but they still exist on a more modest scale.

The decline in the aggregate vote for the two main parties goes on apace. No reading of the figures can deny that. The Liberals plus the SDP are advancing, though more slowly than they wish.

There may also be another phenomenon. The reason why all three major groupings could take some comfort from the results was that the vote for the independents went down. There may now be some clustering around a three-party system.

That is not necessarily much consolation for the Alliance in the general election, though it *should not* be underestimated.

> The Alliance tadpole may not grow into a whale, but a starting point of 22 per cent is not bad going

A starting point of 22 per cent for a third grouping is not bad going *and the question remains* of how those people who choose no to vote in local or by-elections will choose to go in a national poll.

There are two other factors which an outside observer would be bound to note. One is the way that the Alliance vote seems to be more or less evenly distributed across the country. Clearly there is rising discontent with the two-party system, among former Tory and Labour voters alike.

The other is the way Britain *continues to become politically* divided on a geographical basis. There are exceptions, to be sure, and there were no local elections in London to test the point. But the steady entrenchment of the Labour vote in the north east must be a sign that the country is becoming more and more split on north-south lines.

If there had been *local elections* in Scotland, all the evidence is that the trend would have been confirmed. What would happen, one wonders, if in the next Parliament the Labour Party were reduced to a sizeable rump, but practically all its members were from Scotland and the North?

All these trends were apparent before, but the local elections have done everything to confirm *them. To summarise* briefly: the Tories cannot be absolutely certain of an overall majority in a general election because the voting intentions of quite a large part of the electorate are still unknown and could go one way or the other. There is already evidence of discontent with the two major parties and there is a marked north-south gap?

At what stage does this begin to be taken seriously, for it amounts to a strong case for electoral reform? The answer *is certainly not now, on the eve* of a general election campaign which the Conservatives can probably win quite easily under the existing system. But what happens if the third party vote goes on growing and the north-south divisions persist?

One possibility is that the process of political realignment will continue. A defeated Labour Party might reform itself and move back more towards the centre: in favour of the European Community and the Atlantic Alliance. Another is that it might begin to fade away, giving the stage to the Social Democrats as the moderately left-wing alternative to the Tories.

But another possibility should not be overlooked. That is that even in the present adverse circumstances the Labour Party just scrapes by to form a government. It would be a minority government in terms *of votes cast, but as Mr Jim* Mortimer, the General Secretary, said on Thursday night, a partial recovery does seem to be under way. It would only require a few more percentage points of the vote for Labour to rule, as it were, from the north.

That is a fairly well known fantasy, especially in Conservative Central Office: Tory defectors to the Alliance put Labour in. But there is a counterpart. There could be a very large Conservative majority next time, but still with a minority of the vote.

The BBC's computer projections on the basis of the local election results gave the Tories *353 seats in the new Parliament,* Labour 258, the Alliance 18 and others (17 of whom would be from Northern Ireland) 21. That is an overall majority of 56—more than was achieved as the general election in 1979.

It is a computer projection only, and on the basis of limited figures, but it is worth thinking whether such a result really would reflect the wishes of the country. Not least, what would a government with such a large majority do? Where are the checks and balances if the opposition is split?

That comes back to the way in which Mrs Thatcher seems to be stumbling into a general election. There is nothing wrong with opportunism: only a fool would refuse to go when the going is good. But it is not quite how the British system is meant to work.

We have — five-year—rather than shorter—Parliaments in order to allow a government time to get on with the job it promised to do. If it has been so efficient that it has completed the task in less than the time available, it is perfectly reasonable to go to the country prematurely to ask for a new mandate to get on with something else.

Yet it would be hard to argue convincingly that that is what is happening this time. See, for example, the last minute flurry about the reform of the rates. If the Conservative Party had carefully prepared an election campaign, it would have considered this some time ago. Equally, it might have produced more interim documents about the future of the welfare state.

There is also the point that if a government with a comfortable majority goes to the country early with no real reason other than that it is the best time for winning, it sets a precedent. Five-year Parliaments become a thing of the past. The case for fixed-*term* Parliaments, which do not allow such opportunism, thus becomes stronger.

Whether any government will tackle these questions of constitutional reform remains doubtful. There is no incentive for a winning party to do so, and no opportunity for a party in opposition to act.

But the electoral trends can hardly be ignored indefinitely. There is a growing third party vote, even if its size disappoints the Alliance. In 1951 the combined vote for the two main parties was nearly 97 per cent. So it is hard to speak lightly now of an Alliance share of 22 per cent. There used to be Labour seats spread all over the country, but not now.

It is just possible that a future political history of Britain will start: "In 1983 Mrs Thatcher went to the country early and substantially increased her majority. Then the problems began."

For there are still more people voting against the government than voting for, and will be whether the Tories or Labour win. But for the results we must watch the campaign in which anything can happen, including the stirring of those who have not been voting.

Letters to the Editor

Benefits

From Mr P. Bottomley MP

Sir,—Employers ought to pay much more attention to the question of the level of child benefit. The only time in the past 20 years that levels of pay settlements have come down consistently without the imposition of a formal incomes policy has been during recent years when child benefit has at least kept its value.

If we wish to get an extra £2 a week into the hands of families with children, it would cost £550m a year by child benefit *through the Government* with obvious public sector borrowing requirement implications. A general increase in the married man's tax allowance would cost over £1bn with greater impact on the PSBR.

To achieve the same after-tax increase through pay increases, employers would have to find £3.7bn.

The cheapest, the most effective, and the least wasteful way of boosting family incomes at a time when people are responsible for dependent children is the child benefit system.

A move back to child tax allowances would give justification to claims for counter-productive claims and settlements for higher pay at work.

Pay increases at work are associated with inflation which hits the lowest paid hardest at a time when they have family responsibilities.

The crucial question is not the level of pay claims but the level of pay settlements. Employers should give serious consideration to the issues associated with child benefit. I would like to see it on the agenda of the CBI and the TUC.

Peter Bottomley
(Vice President, Family Forum).
House of Commons, SW1.

Telecommunications

From the Director General,
Royal National Institute for the Blind

Sir,—We were interested in Jason Crisp's piece on Britain's (April 20). The Royal National Institute for the Blind is concerned that the needs of blind telephone users, including especially blind switchboard operators and office workers, should not be overlooked.

We hope that the liberalisation of the equipment market will not affect adversely the 1,200 or so blind people who earn their living as telephonists, using adapted switchboards with vibrating pins or synthetic speech instead of visual signals or displays.

To this end, we want the Telecommunications Bill, now be*fore the House of Lords, to be* amended to include in the definition fo "consumer" disabled people who use telecommunications services or equipment at work. We also want the Bill to include a specific requirement that all telephone apparatus sold in the UK should be readily adaptable to the needs of blind employees. If this is considered at the design stage, there should be little or no additional cost and British manufacturers could find such a requirement a positive sales aid overseas as well as in the UK.

Edward J. Venn.
224, Great Portland Street, W1

Florilegium

From the City Librarian.

Sir.—In your issue of April 23 under the heading "How to Spend It," Lucia van der Post, in her own words, "dares to write about anything that has as high a price-tag as the £50,000 plus it will cost anybody who wants the complete set of engravings that make up Banks' Florilegium."

In rightly praising this exceptional artistic and publishing enterprise, Ms van der Post offers readers the opportunity to see the finished work in, among other libraries, Edin*burgh city libraries.*

Sadly, our own criteria of "How to spend it" must mean that we will disappoint potential readers, for the work is not, as stated, subscribed by this library, where we share with Oxford and Cambridge Universities shortage of funds —

Readers may however like to know that the National Library of Scotland is collecting a set of the engravings as they are published.

Antony P. Shearman,
Edinburgh.
Central Library,
George IV Bridge, Edinburgh.

Monopolies

From Mr J. Davison

Sir. — As most readers will be aware, Dr Vaughan has recently been distracted by his little local difficulties over the Citizens' Advice Bureaux. One resultant casualty appears to be that the Monopolies and Mergers Commission report on the National Coal Board has got stuck in his pending tray. This *report is not without interest* in the context both of Mr McGregor's proposed appointment as chairman and of the Parliamentary Control of Expenditure (Reform) Bill. Previous Monopolies and Mergers Commission reports on public-sector bodies have been laid before Parliament within three months of signature.

Announcement of delivery of the National Coal Board report to the Minister took place at the beginning of December 1982: five months later there is still no sign of the report being *laid before Parliament. It would* be churlish to suggest that the delay could in any way be associated with the possibility — or otherwise — of a June election.

J. Davison,
2, Devonshire Villas,
Thornhill Road, N1.

Taxation

From Mr D. Tallon.

Sir. — Mr Brittan (April 28) is to be congratulated on introducing some radical thinking into the whole area of how the state taxes and disposes. It is a pity that any effort to bring about such changes is likely to flounder on the rocks of bureaucratic conservatism and job protection. Unfortunately one can only fear that the report of the sub-committee of the Commons add yet more bricks to the huge, complicated and self-contradictory edifice of tax legislation. But post-war history suggests that every step forward in conception, eg, MIRAS, life assurance relief, *abolition of child* tax allowances, etc, will bring forth yet more self-defeating legislation on to the statute book.

The article left one glaring hole in its broad view: the problem of local taxation and services. Here, surely, it is time to redefine tightly the duties and responsibilities of local government for specified ser*vices to be paid for out of local* taxation. All other obligations laid on local authorities should be entirely funded by central government, using the local authority manpower as agents only and removing the policy aspects of these services and functions completely from the control of local politicians. It is ridiculous that the accident of birth, since we are not a very mobile population, should produce such a variable burden of taxation at this level.

D. S. Tallon.
1, Serjeants' Inn, EC4.

Criteria

From Mr M. Cadman.

Sir,—Mr Richard Johns, your Energy Correspondent, is to be congratulated on the clarity and balance of the excellent Energy Review article on combined heat and power (April 28).

It left a difficult question unanswered, namely, what Lord Avon meant by any investment having to be made on the basis of commercial criteria. Mr Johns brought out *very clearly* the distinction between evaluating schemes on the basis of crediting CHP district heating stations with the full value of power produced by them, and on the basis of marginal cost. The Central Electricity Generating Board apparently favours the latter, given that it is prepared to supply heat at a price which reflects the additional costs incurred.

This policy sounds very argued by producers that their commercial interests are best served by trying to protect their existing investments in this way. Others may see it as a recipe for stagnation and decline.

CHP/DH schemes are, clearly, long-term projects. Attempting to assess cash flows on either basis—full electricity value or marginal cost—over a long *period cannot be easy.* Yet, as Mr Johns points out, it is implied that CHP/DH schemes have prospects of commercial viability if the power is credited at full value but not if the heat is charged at the marginal cost of electricity production. So, which (if either) is the commercial criterion?

M. H. Cadman.
80 Wolsey Road,
East Molesey, Surrey.

Energy

From the Vice-President,
District Heating Association.

Sir,—Richard Johns' article (April 28) on combined heat and power (CHP) heating for nine major cities, with a prospect of heat 10 per cent cheaper than gas heating, highlights the fact that Ministerial approval is awaited for the programmes outlined in recent reports to Government.

The CHP option, using waste heat and supplying it as hot water to consumers, was identified by Sir Walter Marshall in Energy Paper 35 as a more cost effective option for cities than either gas heating from coal, or electrical heating whether from coal or nuclear fuel.

Public money is being spent to develop both these other options at a significant rate. British Gas is reported as spending £16m per year on research and development for the coal gas option. Over £300m per year is being allocated by Government to deal with problems of fuel poverty. Expenditure by the gas and electricity industries on public relations and advertising is reported at £45m per annum.

The Danes, the Dutch, the efficient competitors, have CHP—why not the UK?

The CHP option has significant balance of payment benefits, as high grade energy saved would be worth over £1bn per annum, as well as creating good employment prospects for the insulation, construction and power engineering industries not accounted for in the work done to date by Government.

If Government is claiming that it cannot find around £1m per city needed to pursue the CHP option, then the Prime Minister should instigate an *inquiry to examine how major* energy decisions are being influenced and evaluated in Whitehall.

R. G. Sayer.
7 Malton Way,
Tunbridge Wells,
Kent.

Efficiency

From Mr J. Diamond

Sir,—Richard Johns (April 28) does not take a sufficiently broad view of the matter of electricity generation. It is true that district heating will increase the thermal efficiency of the operation from some 30 per cent to 80 per cent. Unfortunately, this does not tell the *whole story.* The capital cost of the distribution of the recovered heat can be prohibitive unless stations are small and close to the heat users. Such a scheme has been in operation at Pimlico in London and at Urmston near Manchester for many years. A close investigation into the users complaints about the system should be *made before it is extended.*

I would suggest that better heat efficiency might be obtained by the use of gas turbines for generation and heat exchangers for the exhaust heat recovery would provide the kind of unit more suited to obtaining maximum heat efficiency. I believe it might be increased in this way to 90 per cent.

J. Diamond,
8, Bowls Close,
Uxbridge Road,

Ian Hargreaves meets Sir John King, of British Airways and Babcock International

A Tory engineer takes wing

IT IS late Thursday afternoon in the office of Sir John King at Babcock International when the finance director, Brian Knightley, breezes in.

"Brian, how was Germany, Italy, Holland?" says the chairman drifting into uncertainty. "America," laughs Knightley. "Oh yes, how was America? I should know, it was Ted Lunn that went to . . ." "Yes, Ted Lunn was in Belgium," says the finance director.

The world is turning rather quickly these days around the comfortable office, with its pictures of horses and pheasants, daughters and American presidents, where Sir John holds court. He has spent the day receiving colleagues and visitors, chastising journalists who in his opinion did not report fairly that day the turnround in British Airways' fortunes, of which Sir John is also chairman, and nattering with friends.

He has himself just been in America, where he has several sets of business interests and is about to go to the Soviet Union, where he intends between the acts to snatch a few days' holiday in Leningrad.

His next engagement of the day is at Downing Street, where he has rapidly become one of Mrs Thatcher's favourite businessmen. Then there will be a dinner party at his Eaton Square flat for friends from industry and showbusiness.

Sir John King is at the apex of his career. Babcock's profits from its great spread of engineering activities are, after much re-organisation and early problems with American acquisitions, on a rising trend after three lean years. At British Airways, staff has been cut from 52,000 to 37,500 within two years and, with the help of a huge balance-sheet clear-out in 1981-82, Sir John was this week able to announce modest profits and positive cash flow.

Of course, not everyone likes Sir John. "Has the Financial Times changed its policy on expletives?" asks Tudor Thomas, who heads the council of trade union leaders at British Airways, when approached for a comment. "He's a bully, interested primarily in John King," says a disillusioned BA man.

Those who have known him longer take a more mellow view. "He's a good listener, but he comes to his own conclusions. He's not interested in persuasion," says one engineering industry competitor.

A City man who has crossed his path several times over the years points to "a sheer aggression and drive to make things happen." It is interesting that not many of the people a journalist talks to about John King want their names in the paper. "I wouldn't like to be on the wrong side of him," says one.

It has to be admitted that this interview started somewhat on the wrong side of Sir John, by inquiring about his early life, about which little is known publicly — his Who's Who entry omits even the date and place of his birth.

Suffice it to say that he is aged 63, a Londoner whose father was a professional soldier and whose mother was Irish and strong-minded. He married in his early 20s, although since the death of his first wife in 1969 he has remarried (to a daughter of Viscount Galway). He left school with nothing in the way of paper, but after roaming around various engineering shops, he had his own business by the age of 19, having spotted a gap in the market for components for Rolls-Royce aero-engines.

But his real business breakthrough came in ball-bearings which, he says, appealed to him as "one of the most basic things you can make." He bought a tiny family company in the Midlands called Pollard with the intention of moving its production to Yorkshire, his wife's home and by this time his own base.

The bearings story is worth dwelling on, because it reveals a good deal about Sir John during what, in a way, was the most crucial period in his business life.

His idea was to take over derelict land in Ferrybridge, Yorkshire, a small town whose life and economic base had wasted with the decline of coal mining. He personally laid the foundation stone of the first building in 1946 and began what he described at the time "a social experiment," using direct labour to build the plant and shipping in skilled engineers from the Midlands to train local men.

It could not be, I suggested to him, that at this point in his life Sir John King, scourge of the unions, hammer of the National Enterprise Board, and confidante of Mrs Thatcher, was a socialist? "Well," he pauses, "the Beveridge report was kicking around and the idea of doing something appealed." His thoughts about political parties ran as follows: "I wondered whether one was grand enough for the Tories. I was certainly too grand for the Labour Party. So I had a look at the Liberal Party, and when I discovered that it was nothing more than a convenient attitude of mind, I got on with being a Tory."

> 'I wouldn't like to be on the wrong side of him'

The social experiment, as it happened, turned out "accidentally to be quite a good judgment." Twenty years later, Pollard had factories on three continents and was a serious challenger to the leaders in the UK industry in terms of market share at a time when the first whiff of Japanese competition had been scented.

These conditions also attracted the Industrial Reorganisation Corporation, which had blocked an attempt by SKF of Sweden to buy Ransomes and Marles, the biggest British bearing maker, and was trying to forge an all-British consolidation. So when King announced a deal between Pollard and SKF cats ran among the pigeons for a while before Pollard sold out to Ransome and the IRC for £9.8m. The price, of which Sir John personally took £3m, was acknowledged even at the time to be on the fancy side for a company with virtually no profits, an assessment with which Sir John does not quarrel.

With Pollard behind him, Sir John was a rich man in search of an occupation. He bought a stake in Dennis, the fire-engine and dust-cart maker, and found himself chairman for two years before another, profitable sell-out.

It was at Babcock, however, that he found his home. His role there, he says has been to bring on the right senior managers, many of them through internal promotions, and to sort out the international strategy.

Sir John works from behind his desk at Babcock when in London, seldom venturing to British Airways offices at Victoria or Heathrow. But the senior people who work for him say you are just as likely to hear from him via the Range Rover's radio phone from some fishing spot in Scotland or to be summoned to a Sunday morning meeting at his 2,000 acre estate in the Vale of Belvoir in Leicestershire as to be asked to drop in at Babcock.

Sir John's acceptance of the British Airways job in September 1980 surprised some of his friends, although he had in fact been active in such bodies as the CBI and the National Economic Development Council since 1975. He had also joined the Conservative Party's City and Industrial Liaison Council, of which he is now chairman, under Ted Heath, getting to know Mrs Thatcher only during the Callaghan Government. Now he is second to none in his praises for the Prime Minister's Churchillian fortitude, but he seems instinctively to admire the boss in her more than the ideologue.

The first fruit of all this was his appointment as deputy chairman of the NEB in 1979, following the mass resignation of directors which followed Mrs Thatcher's victory. Sir John was a strong supporter of the sale of ICL and Ferranti, although by the time he became chairman of the NEB in 1980, he admits he had been drawn into the fascination of supervising the management of Inmos and the other remnants of the empire.

At British Airways, likewise, he says he has discovered great abilities among both staff and civil servants. Would he carry on under a Labour Government, if permitted? "I wouldn't walk away on political grounds," he replies. "I could not walk away from a job that's not complete."

Completing the job, he insists, is not primarily a question of returning the airline to the private sector. "We want, above all, to see it succeed. If we make it profitable, it's for the proprietor to decide whether to sell it."

His problem at BA, he says, has been to weed out bureaucratic attitudes and "introduce some routine housekeeping," while preaching the gospel of better service. He wanted a further three-year contract, announced this week with most unusual timing, in order to reassure his new top management of continuity. He also wants to scotch any feeling among staff that the King style is a temporary thing. "The feeling among a lot of staff was that the nightmare must pass. They're past masters at playing it long," he says.

Ashley Ashwood

In choosing the people he wants around him at BA, Sir John has characteristically picked a lot of old friends and associates, as well as a few new ones. Alec Dibbs of National Westminster Bank and Bobby Henderson of Kleinwort Benson were probably the key members of his cabal — both are on the board — in the early days, but his peremptory decision to ditch BA's advertising agent of many years, in favour of Saatchi and Saatchi, probably owes more to the trusted friends factor than the fact that Saatchi does the Tory Party's advertising. Through Maurice Saatchi, Sir John got to know David Puttnam, director of Chariots of Fire, and Mr Puttnam organised the actors for the new BA commercials. There are a lot of stories like that around John King.

Now he believes, he has the right chemistry at the top and with reduced staff costs is confident the core strengths of the route structure will show through. "We don't think we have been particularly clever," he says. "It's not so difficult to come in and rebuild something when you have none of the ties, none of the relationships."

What, then, does he think makes a good manager? "Someone who can do simple things well," he replies. Communication is important too. "The British army has the best possible system, because a private knows the major is only 99 men or whatever it is away. He knows whom to go to."

The pace of Sir John's business life, however, has not prevented him finding space for other pleasures. He was Master of the Fox Hounds, for two different hunts, in Leicestershire and he wears the garb of the gentleman farmer with the enthusiasm of a convert. He also likes backgammon and horse racing. Opera appeals to him for its "drama and spectacle" and his current reading list includes biographies of Edward IV and Peter the Great.

He is, unsurprisingly, staunch C. of E., but thinks the Church should stop "slopping around in politics. We want to hear about those ladies who forgot to fill their lamps and other charming stories," he says.

Whatever he's talking about, it is not long before Sir John is excited about the subject, even though he can greet any question with either a blank beagle-like stare or an aggressive riposte designed to send the questioner off balance. One minute he's on his feet, wagging his finger at you to make a point, the next romancing about horses or rummaging for some newspaper cutting about the American legal system, which fascinates him. His mood switches, like his behaviour, from the generous to the brutal and from the mischievous to the grave equally quickly.

At about half past five on Thursday, he poured himself a drink and said he was tired. "And I've got to start all over again in an hour." Five minutes later, he was on his feet again like another foxhunter, John Peel, with a view halloo fit to waken the dead.

Weekend Brief

More and more Chinese puzzles

Chairman Maa and Lin Biao

Collins the publishers are hopping mad that Radio 4's Today programme broke the embargo on their new book on plots and counterplots in China. "The Conspiracy and Murder of Mao's Heir," by the pseudonymous Yao Ming-le, is not due out until May 16. But it's not surprising the book has attracted attention since it says, on the basis of allegedly smuggled Chinese documents, that the official story of the failed coup by Mao's heir Lin Biao was a cover-up.

The identity of Yao the author is unknown; he is described simply as a citizen of China.

The Peking version, published in mid-1972 after months of rumour, claimed that Lin, then Minister of Defence, with a group of high-ranking military officers, had tried in autumn the previous year to assassinate the Chairman. When the coup failed, it was said, Lin, his wife and some of their henchmen leaped into a Trident aircraft and headed for the Soviet Union . . . the plane ran out of fuel over Outer Mongolia and crashed, killing all its passengers.

Yao Ming-le's book paints a far more dramatic scenario. In reality, he says, Lin planned to provoke a Sino-Soviet conflict which Mao would direct from his hideout just west of Peking in the "Jade Tower Mountain." Lin would then seal up the exits, annihilate Mao with gas bombs, seize power throughout China and make a new peace with Moscow.

According to the book, the Russians did not take Lin's approaches seriously, and he was forced to give up. But his double agent was spotted by Peking's public security bureau and this set alarm bells ringing with Mao, who was already planning secret talks with the Americans before Nixon's visit.

Thus Mao, after an abortive assassination attempt by Lin's son, was able to invite Lin and his wife to an elaborate dinner of sea cucumber and tiger's tendons. After it, his men blew up Lin, his wife, and his chauffeur on their way home in their Red Flag sedan with rocket launchers.

This is the bit that the Chinese really don't like about the book. Officially in Peking's eyes, Mao is clear of Lin's murder. Furthermore, the book is fleshed out with detailed accounts of the love-life of Lin's spoiled airforce son, Liguo, and the stab-in-the-back atmosphere of intrigue and corruption which permeates it does not enhance the image of Peking as a centre of responsible government.

Is the book fact or fiction? Chinese officials deny that it has any basis in fact. Taiwan and the Soviet Union both might have motives for confecting a smear against Mao and Peking-style politics. But it is not totally unconvincing, and it avoids any slur on the present leadership. True or not, it gives pause for thought since even the official Press in the past year or so has admitted how power-seeking, corruption and privilege have bedevilled Chinese politics.

Economic Diary

TODAY: Association of Scientific, Technical and Managerial Staffs conference opens in Bournemouth (until May 9).

TOMORROW: Mrs Margaret Thatcher meets Ministers at Chequers to discuss the election outlook and broadcasts on BBC radio's "World this Weekend"

MONDAY: Department of the Environment issues figures for housing starts and completions (March). OECD Council of Ministers meet in Paris. Conference of the European campaign for nuclear disarmament in West Berlin. Brazilian banks meet on debt in New York. Civil and Professional Services Association conference begins in Brighton (until May 13). Civil Service Union conference starts in Blackpool (until May 13). Transport Salaried Staffs Association conference opens in Torquay (until May 13). South Wales miners conference at the Pavilion, Porthcawl.

TUESDAY: Department of Trade gives statistics for retail sales (March-final) and credit business during March. Provisional wholesale price index numbers for April. London clearing banks' monthly statement for mid-April. Bank of England publishes provisional estimates of monetary aggregates for mid-April. Western Summit preparatory meeting of major participants including Britain in Paris. UN general assembly reconvenes.

WEDNESDAY: Central Government transactions (including borrowing requirement) in April. Mrs Margaret Thatcher to appear on BBC radio's Jimmy Young programme. British Rail annual report and accounts. TUC economic committee meets. Confederation of British Wool Textiles' statement on trade situation. Commons Transport Select Committee on bus subsidy, witness: London Transport.

THURSDAY: Provisional figures of vehicle production (April). Scottish Conservative Party conference in Perth (until May 14). NUM executive meeting.

FRIDAY: Building societies' monthly figures for April. Usable steel production in April.

End of an era: or the start

SNOOKER LOST that silly "misspent youth" tag a long time ago when the sport moved out of the back streets into the glare of camera lights and 18m or so television viewers, at Sheffield's Crucible Theatre and other prestige venues.

But, it seems, the connotations sometimes linger on. A tobacco company can sponsor a big competitive snooker event, and lots do, but they can't put money behind "clean-limbed" sports. In conjunction with the Tobacco Advisory Council, the Department of Health and Social Security says that tobacco companies should not sponsor football, or cycling, or athletics, or swimming.

Companies such as Embassy, one of Imperial Group's cigarette divisions, acknowledge the "sensitivity of the product" and don't generally push their noses in where they are not wanted.

Embassy is the biggest sponsor in snooker and put £130,000 into the World Championship which finished in Sheffield at the beginning of the week. Lambert and Butler, a sister company, puts money behind National Hunt racing. The "sticks" might, at a pinch, be said to retain that slightly racey image so presumably the DHSS and TAS do not mind too much.

But what about rugby—both codes. John Player sponsors the Rugby League Trophy which, as a hard contact sport might seem just as far beyond the pale as football to the tobacco sponsors. League is professional, what about such a determindly amateur body as the Rugby Football Union? Surely not?

Yet the record crowd at Twickenham last weekend to see Bristol's stunning Cup Final win over the Leicester Tigers watched a match sponsored, once again, by John Player. The tobacco company put up £85,000.

Double standards? Try this one. Champion once again at the Crucible was Steve Davis who pocketed Embassy's £30,000 first prize pot. Davis is under contract with Courage, the brewery people and yet another arm of Imperial Group, who pay him £100,000 a year to flog the length and breadth of the country to play in 40 exhibition matches. But try putting the Romford millionaire (or near millionaire) on the box to sell Courage Best. Snooker champs are "heroes of the young" and shouldn't be associated with alcohol. It's perfectly acceptable to link the sport with Embassy, or Benson & Hedges, or State Express to name some of snooker's other big sponsors, however, and to allow several leading players to be seen to smoke quite heavily during those tense gruelling frames. Courage moreover put £100,000 behind the England football team.

And wasn't it Bill Werbeniuk, the Canadian professional, who persuaded the Revenue to offset several daily pints of soothing lager against his income?

How to behave at a cocktail party

BARRIE HARPER, a Warwickshire builder, was last Christmas standing at one of those interminable cocktail parties held in the property world, trying very hard to hold on to a plateful of delicacies in one hand, a glass of wine in the other—and still somehow shake hands with other guests. Not surprisingly, the inevitable happened and the wine and food were tipped on to the floor amid much embarrassment.

Such a social calamity has happened at some time to most people at buffet functions—be they at Henley Regatta or at a barbeque at the bottom of the garden—and they would undoubtedly have gone on happening for Mr Harper as well.

"But with things being a bit slack in the building trade, giving me a little more time, I started thinking that there must be a better solution to the problem of needing three hands at the same time," he says.

So Mr Harper tinkered around with a piece of circular plywood and tried to work out the most efficient way of holding a plateful of food and a glass or cup in one hand without spilling them. "I'd seen other attempts to solve the problem," he recalls, "but none of them coped with the essential need to keep the glass stable on the plate."

Eventually, Mr Harper's trial-and-error designing hit upon the idea of a plate with a hole in it, through which the thumb would go and fasten down the base of the glass. "It was such a simple solution I could hardly believe it," he adds.

Anyway, Mr Harper subsequently showed his model to a neighbour in the plastics business who confirmed his belief that the product could be made at a cost-effective price. But Mr Harper now had a problem: should he go ahead and produce his plate with a hole and hope that it would simply catch on? He was acutely aware that without a strong brand image, his idea could just end up as simply another party plate in Woolworth.

So he took his idea to a West London-based company called "Brand New Limited," an offshoot of the Michael Peters and Partners design consultancy which has been responsible for re-designing the packaging for such diverse products as Heldenbrau lager and Penhaligon's perfume. The Brand New operation is aimed at helping companies develop new product ideas.

"What we felt Mr Harper's product needed was a clear sense of style to make it become 'the' party product," explains Pamela Conway, managing director of Brand New. She and her fellow directors decided to take a stake in a joint company with Mr Harper to develop the product in lieu of the normal development fees.

"We sat up all night trying to think of an original name that incorporated the uniqueness of the thumb-hole and its function," she explains. Eventually, the "Brand New" team hit upon the idea of "Thumb Waiters." "It was a natural," says Conway.

The design team went to work on the packaging and developed a logo for the product ("a vital necessity," says Conway) and within weeks had persuaded major department stores such as John Lewis, Selfridges, and Harvey Nichols—as well as several off-licence chains—to take stocks. Last week the product was advertised on television and in the TV Times.

The aim is to attract both the home party market as well as institutional caterers. At present the moulded plastic product sells at just under £5 for four, but plans are underway to bring out a disposable range selling much more cheaply. The range has also been extended—under the generic title "Thumbware"—to include a combined knife, fork and spoon in one implement, glasses, and coasters.

Does Mr Harper have any advice for the would-be entrepreneur like himself with a new product? "Only that they've got to start 'thumbware'," he puns. Groan.

Contributors:
Colina Macdougall
Ray Maughan
David Churchill

Boost from electronics takes UEI through £9m

WITH A full year's contribution from the Yewlands group and the Micro Consultants group, profits of UEI have reached £9.42m in respect of the 12 months ended January 31 1983, after being £4.58m at the half-way stage.

Subject to holding company interest and expenses, electronics accounted for £6.69m of the profit and engineering £3.88m.

Profits of the original UEI group have risen this year by around 20 per cent, and on a compound basis from June 1981 the profits of the Micro Consultants companies have grown by some 30 per cent.

The Yewlands group has faced a much reduced order book from the aerospace industry during the second half of the year, resulting in disappointing results from this sector.

Contributions from the Lipman Management Resources Group acquired in December 1982 and of M.C. Computers purchased in January 1983, have been minimal.

Gross earnings have risen from 15.1p to 17.9p per share, and net earnings from 11.4p to 12.6p.

The final dividend is 3.2p to lift the year's total from 4.3p to 5p net. Dividends in excess of 0.1p have been waived in respect of 10.4m shares issued against acquisition.

At January 31 1983 share capital and reserves had moved up from £20.11m to £25m.

● comment

UEI hit the first serious setback to its spectacular growth record with the Yewlands group just scraping a slight profit. It was largely responsible for bringing expected profits back £1m to £9.41m for the year to January and knocking 30p off the share price which closed at 285p. Yewlands is likely to do no more than break even in 1983, but there is some recovery potential elsewhere in companies like J Fisher and Locomotive. The original UEI Group grew by 20 per cent in 1982 while Micro-Consultants' profits increased by 30 per cent, growth rates which could be sustained in 1983. The big hope which sustains UEI's high rating is Cabletime Installations which wants to run cable television networks through the sewers. The White Paper on cable TV appears to go in Cabletime's favour, but it is difficult to assess the costs which will be incurred and how they will appear in UEI's accounts. Some fairly dramatic results are required to warrant a fully taxed historic PE of 33, demanding even in the high technology world.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Consydex	2.5	—	1.2	2.5	2.4
Northern Goldsmiths	Nil	—	2.66	0.85	3.51
Stewart Enterprise	0.4	July 18	0.2	0.4	0.4
Tern-Consulate	0.25	—	1.8	0.25	2.5
UEI	3.2	July 14	2.75	5	4.3
Yorklyde	12	—	12	18	16.5

Dividends shown pence per share net except where otherwise stated.

Hunting rights to raise £10.28m

AVIATION SUPPORT, engineering, resource surveying and photography group Hunting Associated Industries is raising £10.28m by way of a rights issue of 9.5 per cent convertible unsecured loan stock 2003-2008.

The issue is on the basis of £5 nominal of stock at par for every eight 25p shares held.

The directors say the additional capital will result in a significant part of the company's borrowings being put on a longer-term basis. It will also assist management in planning the company's development and will provide support for the new production programmes for the group's airfield attack weapon, the JP 233, and the light anti-armour weapon, the LAW 80.

At the same time as announcing the rights issue the directors forecast a dividend for 1983 of 6p net per share, an increase of 20 per cent over 1982.

● comment

The issue of convertible loan (as opposed to preference) stock has become a relatively esoteric way of raising capital in the last 18 months. Apart from a Tesco offering in December, one of the few other convertibles to be issued has come from another Hunting group, Hunting Petroleum. The disadvantages are considerable, especially for a company in the position of Hunting which may not have a sufficiently large corporation tax liability over the next three years to the conversion date against which to offset the cost of servicing the loan. The mechanics are also difficult. The price has to be fixed now, although dealings in the stock on a nil paid basis will not begin until May 24 and payment is not due until June. The risk of a collapse in the share price by then is being borne by the underwriters but only at a cost to the company. If the share price remains at its present level of 210p, the convertible is likely to move to a premium of about 12 or 13 per cent, although there is a danger from the sub-underwriters' stock overhanging the market. The company will be making an annual payout which is equal to twice the value of the yield on its shares. But it means that the Hunting family will retain majority control of the company, at least until 1986, while the more benevolent analysts may be persuaded to treat the £10.2m as equity rather than debt, thus bringing down the gearing ratio.

Offer by U.S. dishwasher maker

BY DOMINIC LAWSON

Chemical Methods Associates Inc, a U.S. manufacturer and distributor of commercial dishwashing equipment, is coming to the USM. It has no U.S. listing and is raising about £4m through an offer for sale of 3.7m ordinary shares, representing 29 per cent of the equity, at 115p per share. At the offer price the company will be capitalised at £14.6m.

CMA chairman Mr Garth Bischoff *said*: "We are coming to the UK for a stock exchange quote because we want to expand rapidly into Europe. Also we do not have the five years of audited accounts required for a U.S. listing."

CMA, which was formed in 1976, made a pre-tax profit of $919,000 in 1982 and is forecasting not less than $4m for this year. At the offer price the shares will be on a *prospective* earnings multiple, fully taxed, of 12 and the indicated gross dividend yield is 3 per cent. The application list will open on Thursday and dealings should begin on May 16.

The California based CMA is engaged in the manufacture and marketing of a line of energy efficient low temperature commercial dishwashers to the food service industry, through an international network of distributors. It also supplies the chemicals involved in the washing process and, in addition, has recently set up a leasing company.

Public health codes require the sanitising of dishes used to serve the public after each use. Normal commercial dishwashing machines do this with a hot water sanitising rinse. The CMA machines ("Energy Mizer") utilise a chemical sanitising rinse, and as a result use up to 85 per cent less energy to do the same amount of work.

● comment

It may seem rather odd that Chemical Methods Associates (what a name for a dishwasher company!) is rushing to join the UK stock market, when only a tiny proportion of its revenue is earned outside North America. But it insists that in time perhaps half of its sales will be based in Europe, if only because it believes that the competition over here is virtually non-existent. It is pleasant to see an offer for sale, rather than the usual USM placing method, and with almost 30 per cent of the equity being floated off, the after market should be more fluent than for many USM new issues. The crucial question for the expansion-minded CMA is whether European hoteliers and restaurateurs will be willing to throw out all their old dishwashing machines and buy CMA's at about £3,000 a time. Sceptics' fears may be soothed by the company's bold forecast, after only four months of the year, of over quadrupled profits for 1983. UK shareholders will suffer U.S withholding tax on dividends but *double taxation relief in respect* of the U.S. withholding is apparently available against any UK income or corporation tax liability.

Better trend at GKN

Sir Trevor Holdsworth, chairman of Guest Keen & Nettlefolds, the steel and engineering group, told members at the annual meeting that the trading trend in the first quarter of the current year had been better, and that pre-tax profits for that period were equal to those for the last six months of 1982.

He added that although there were obvious risks in making a forecast based on so short a period of improvement, the directors believed that first half 1983 results would match the £m made in the first six months of 1982.

Looking further ahead, Sir Trevor said that it was difficult at this early stage to predict how widespread, how strong and how sustained the recovery would be, "but general economic indicators and our own improving performance so far this year, are encouraging."

Evered £0.37m in black

FOLLOWING the turnround at midway from losses of £202,000 to pre-tax profits of £144,000, Evered Holdings, engineering concern, finished 1982 with a taxable surplus of £372,981, compared with a £290,603 deficit. Sales rose slightly from £8.99m to £9.17m for the 12 months.

There is no dividend, however, the last payment being a 0.25p final for 1979.

They state that the momentum built up during 1982 has continued into the first quarter of 1983.

Pre-tax figure was after interest of £170,391 (£173,131)—there was no tax again—and after extraordinary debits of £228,154 (£248,658) there was a surplus of £144,827 which was transferred to reserves (£539,261 deficit taken from reserves).

Earnings per share are shown as 6.3p, compared with losses of 5p.

Results due next week

A sharp increase in construction profits should continue to provide the main impetus to growth when Trafalgar House announces its interim results on Monday. It started the year with the construction order book 30 per cent ahead, and housebuilding in particular has since picked up substantially in line with a market stimulated by declining interest rates.

The contribution from shipping should be marginally higher with the benefit of a strong dollar being partially offset by the slide in charter rates since the start of the year. The dollar's recent strength should also have led to higher occupancy rates at Trafalgar's London hotels.

On that basis, analysts forecast an 8 per cent increase in pre-tax profits to £30m, with a dividend of around 4p net, up from the previous interim's 3.5p. The main uncertainty, however, is the size of the contribution to come from asset disposals made as part of the group's move away from property development.

Sears Holdings has abandoned mail order shopping for the world of television. Whether it will make a success of its new stake in Central Independent Television will be revealed in 1985.

On Tuesday, its performance in the year to January 31 1983 will be published. Profit forecasts vary from £107½m to £115m, reflecting the problems of pinning down its mixed bag of businesses and investments.

The footwear business is expected to show higher profits. It has pushed aggressively to raise market share with increasing sales, though with a resulting pressure on margins. Stores including Selfridges, Lewis's and Wallis should show some improvement from the buoyancy in the High Street. And motor vehicle sales should continue the substantial *improvement of the first half* when profits rose from £2.5m to £4.3m. Even at the lower end of the forecasts Sears will make a second half advance of 17 per cent. A dividend increase from 2.50p to 2.80p net per share gives a yield of 4.5 per cent.

British Home Stores is expected to announce on Monday pre-tax profits of around £49m for the year to April 3 compared with £42.6m last year.

The result will include a contribution of some £4m from SavaCentre, the hypermarket chain which BHS runs with Sainsbury. The huge SavaCentre stores can cost £4m to open, so a period without a new opening (the next one comes in 1984) gives BHS a breathing space to enjoy seeing some trading profits come through to the bottom line.

BHS continues to search for a new direction and image for its main chain of stores with increasing signs of success. Some weaknesses in merchandising are being tackled, though others still remain. It seems pleased with its new-look store in Harlow and plans to "Harlowise" more stores this year. The final dividend should go up to 5p net for *the year giving a yield of 3.2 per* cent.

The shape of Costain Group's annual results due next Tuesday depends on whether an A$14m profit from the disposal of a stake in an Australian coal mine is taken above or below the line. Although the group recorded it as if an extraordinary item at the interim stage, its 67 per cent owned Australian subsidiary subsequently shifted the disposal above the line in its final results. Take the disposal below the line and the group's pre-tax profits for the year look set to decline 30 per cent to £37m. Australia reported an A$15m swing to an A$12.5m trading loss in the year to March, mainly due to bad debts and widespread labour disputes.

The 49.9 per cent owned Canadian associate burdened by a slack housing market and debts running at eight times shareholders' funds, produced a C$4.6m loss in its third quarter, which it warned would be repeated in the final three months. At that stage, Costain said that any improvements in its other foreign and UK operations would not be enough to compensate for those problems. But it has not altered its interim prediction of an unchanged final dividend, which would bring the total to 11.5p net.

Also due next week are Commercial Union (first quarter) and Baggeridge Brick (interim) on Tuesday, Coats Patons (final) and Ultramar (first quarter) on Wednesday, Bank of Ireland (final) and Lloyds & Scottish (interim), BOC Group (interim) on Thursday, and Reliant Motor's interim results on Friday.

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Aberdeen Construction Group	Wednesday	2.4	4.77	2.6
Bank of Ireland	Thursday	8.0	14.0†	8.0
Barr and Wallace Arnold Trust	Tuesday	—	1.0	—
Beattie (James)	Friday	—	2.375	—
Belgrave (Blackheath)	Tuesday	—	—	—
Bishopsgate Trust	Monday	1.2	2.5	1.2
British Home Stores	Monday	1.75	3.0	1.75
British Investment Trust	Monday	4.2	5.0	4.5
City of Oxford Investment Trust	Wednesday	1.75	3.75	1.75
Coats Patons	Wednesday	1.4	2.6	1.4
Costain Group	Tuesday	4.5	6.5	5.0
Dares Estates	Wednesday	0.5	0.75	0.5
Edith	Tuesday	0.76923	1.44231	0.8
External Investment Trust	Wednesday	4.5	4.5	4.5
Feedex Agricultural Industries	Wednesday	0.5	0.55	0.5
First Castle Electronics	Tuesday	0.568	1.252	0.7
Fortnum and Mason	Monday	3.5	19.72	3.5
Hall (Matthew)	Wednesday	1.085	4.05	1.195
Hartons Group	Thursday	—	—	—
Hawtin	Thursday	—	—	—
Holt Lloyd International	Thursday	1.5	1.67	1.5
Holyrood Rubber	Thursday	15.0	30.0	10.0
Hongkong (Selangor) Rubber	Thursday	8.0	17.0	8.0
Hunting Gibson	Friday	2.0	4.0	2.0
James (Maurice) Industries	Tuesday	0.5	0.75	0.5
J S D Computer Group International	Thursday	—	—	0.5
King and Shaxson	Friday	1.0	5.5	2.5
Kuala Selangor Rubber	Thursday	4.5	9.0	4.5
Kwik-Fit (Tyres and Exhausts) Hldgs.	Wednesday	0.62	0.62	0.68182
Lee Cooper Group	Wednesday	1.15	1.857	1.223
London and Liverpool Trust	Monday	0.75	1.7	1.5
Miles 33	Tuesday	—	—	—
More O'Ferrall	Tuesday	0.88	2.24	0.88
Outwich Investment Trust	Monday	0.72	1.53	0.75
Porter Chadburn	Thursday	—	0.75	—
Prince of Wales Hotels	Tuesday	0.75	1.25	0.75
Richardsons Westgarth	Friday	0.75	0.75	—
Rotaflex	Tuesday	0.5	1.5	0.5
Sears Holdings	Tuesday	0.7	1.8	0.7
Secombe Marshall and Campion	Thursday	5.25	12.25‡	6.0
Shires Investment	Tuesday	3.0	2.5	3.0
Spear and Jackson International	Wednesday	3.575	3.0	1.0
Transatlantic and General Investments	Wednesday	3.3	4.0	3.3
Tysons (Contractors)	Monday	—	2.175	—
V W PLC	Monday	—	2.0	1.875
Witan Investment	Wednesday	1.0	1.1	1.05
Young Companies Investment Trust	Monday	2.2	4.2	2.2
INTERIM DIVIDENDS				
Akroyd and Smithers	Monday	4.0	17.53	
Associated Paper Industries	Tuesday	1.0	2.5	
Baggeridge Brick	Tuesday	1.25	[illegible]	
BOC Group	Thursday	2.5	[illegible]	
Cambrian and General Securities	Thursday	0.2	[illegible]	
Cooper (Frederick) Holdings	Tuesday	0.5	1.05	
Crampthorn	Monday	5.0	15.0	
Crystalate Holdings	Tuesday	0.775	1.54	
Gleeson (M. J.) Group	Friday	[illegible]	2.7	
G R (Holdings)	Wednesday	[illegible]	[illegible]	
Grosvenor Group	Monday	[illegible]	[illegible]	
Hepworth (J.) and Son	Tuesday	[illegible]	[illegible]	
Herman Smith	Friday	0.2	0.3	
Jessups	Wednesday	—	1.0	
Lloyds and Scottish	Thursday	1.37	2.0	
North Atlantic Securities Corporation	Tuesday	1.0	[illegible]	
Thames Investment and Securities	Monday	1.65	3.3	
Trafalgar House	Monday	[illegible]	[illegible]	
United Wire Group	Tuesday	[illegible]	5.35	
Warnes Estate Holdings	Thursday	2.5	5.5	
Wheatons	Wednesday	2.0	3.0	
INTERIM FIGURES				
Aronson Group	Tuesday			
Commercial Union Assurance	Tuesday¶			
Marine Adventure Sailing Trust	Wednesday			
Murray Clydesdale Investment Trust	Monday			
Reliant Motor	Friday			
Royal Insurance	Wednesday¶			
Smith and Nephew Associated Companies	Tuesday¶			
Ultramar	Wednesday¶			

*Dividends are shown net pence per share and adjusted for any intervening scrip issue. † Total includes a dividend of 3.5p in respect of the year ended March 31, 1976 out of undistributed profits of that year. ‡ Includes a 60th anniversary dividend of 1.75p. § Includes a special dividend payment of 2.5p. ¶ First quarter figures. ‖ Includes a special dividend of 0.2p. a Includes a non-recurring dividend of 0.25p.

Sears Holdings buys 20% of Central TV for £7m

BY RAYMOND SNODDY

Sears Holdings, the Selfridges and British Shoe Corporation group, has acquired 20 per cent of the shares of Central Independent Television for £7m.

The deal is Sears' first move into television.

Mr Geoffrey Maitland Smith, chief executive of Sears said yesterday: "This is an area we have been interested in for some time. It is communications and that is a fast growing field."

Previous looks at entertainment and communications — an interest in buying Northern Songs and involvement in an *attempt to win the commercial* radio news franchise for London —came to nothing.

The opportunity to buy into Central arose because control of Associated Communications (ACC) passed to Mr Robert Holmes à Court's Bell Group of Australia at the beginning of 1982. As a result ACC had to divest itself of a substantial *part of its 51 per cent stake in* Central.

Under the UK Broadcasting Act a programme contractor cannot be controlled by a company not registered in the EEC.

The Bell Group decided to sell its entire stake. The sale brought in £17.8m, a capital profit of £5.1m.

Mr Maitland Smith and Mr Robert Maxwell, chairman of British Printing and Communications Corporation / Pergamon, *which has increased* its shareholding in Central by 4.6 per cent to 12.5 per cent, have been asked to join the board of Central.

D. C. Thomson who currently hold 15 per cent of Central shares has increased its stake to 20 per cent and the Ladbroke Group has doubled its shareholding from 10 per cent to 20 *per cent*. A *further* 10 per cent of the former ACC shares have gone to some 20 holders, many of them institutions.

Mr Robert Phillis, managing director of Central, which is the largest independent television contractor covering an area with a population of 8.5m in the East and West Midlands, said yesterday the company would now be able to concentrate on the final phase of its relocation in the East Midlands.

It would also help in taking advantage of the opportunities provided by the emergence of cable and satellite television.

The disposal of the ACC shares clears the way for Central to go ahead with its intention of seeking a USM listing.

BTR rebuts Tilling forecasts

BY RAY MAUGHAN

BTR was quick yesterday to rebut the bullish profits, earnings and dividend forecast from its quarry, Thomas Tilling, the diversified industrial holding company.

BTR's £600m bid for Tilling reaches its first closing date on May 10 and the smooth progress of such a huge, contested merger, liked apparently in several City quarters and sufficiently spiced to attract plentiful lines of loose stock, was substantially halted by Tilling's official defence document earlier in the week which said, among much else, that profits this year would leap from £43.7m to the order of £85m.

The bidder needed to spike such optimism and has attempted to do so in four closely packed quarto pages. And, as is the way of this particular takeover contest, there are plenty of graphics for those who like their evidence served up in pictures rather than words.

The Tilling profit forecast, BTR asserts, should be treated with "considerable caution" not least because of the board's marked forecasting failure a year ago, the lack of segmental data (in important deficiency according to leading analysts), *the absence of first quarter* management accounts, no qualification of this year's extraordinary costs, if any, and an assumption that the tax rate will be "much reduced" without substantial reliefs from capital spending.

Writing to Tilling shareholders, Sir David Nicolson and Mr Owen Green, chairman and chief executive respectively of BTR, ask whether they "conclude, as we do, that this forecast is in reality no more than an ambitious profit plan—a plan based on a string of highly questionable assumptions and dependent on a substantial upturn in the world economy in 1983, "supported" only by unspecific and meaningless graphs."

"Tilling," they assert, "has become obsessed by size—but of sales rather than profits. It has invested heavily and indiscriminately in a range of unconnected businesses at the expense of continuous issues of shares and substantial additions to debt.

"Interest cover," BTR comments, "has fallen from 7.6 times in 1978 to 1.9 times in 1982. It has allowed its operating companies to chase market share at the expense of a continuing erosion of profit margins."

Steetley sets out bid defence

BY RAY MAUGHAN

REFRACTORIES, MINERALS and building products group, Steetley, yesterday despatched its formal defence against the contested £115m all equity offer from Hepworth Ceramic which closes next Wednesday.

In the absence of any profit forecast from its adversary, Steetley has not thought it worthwhile at this comparatively early stage of the contest to put in a prediction of its own.

It says, instead, that conditions in the industries it serves are getting better, management is achieving results in its efficiency drive and, hence, *profits overall will be higher* this year. The dividend, which was cut last time, will be improved although, as an unwilling hostage to fortune, Steetley does not say to what level.

One leg of its defensive arguments is that the business has been restructured in response to a percipient management awareness of the impending difficulties in key sectors. The other leg stands on the real value of the group's assets.

Taking the second point first, Steetley is somewhat fortunate that external bids, one blocked by a Monopolies Commission reference, have established real rather than hoped for values of aggregates reserves and for facing brick capacity.

The bids in question are the offer by Redland for Ibstock Johnsen, the specialist brick manufacturer, the acquisition of *Hoveringham Group by Tarmac* and the subsequent £38m offer for Blue Circle Aggregates.

Mr David Donne, the chairman who recently replaced Lord Boardman says that the bid has been pitched at a 24 per cent discount to historic net worth of £158m, a 46 per cent discount to net assets of £225m, based on current costs accounts, and the discount would be even greater "if you bring into the reckoning the potential realisable values of Steetley Brick and Steetley Construction Materials."

As to the re-shaping of the group as a whole, Mr Donne tells shareholders that just 7 per cent of the business is now reliant on the UK steel market. He reminds them that acquisition of Gibbons Dudley and latterly of G. H. Downing have given Steetley an important stake in the facing *brick market while the purchase* of three U.S. dolomite operations, at a down point in the cycle, were made "at what in the longer term should prove to be a very favourable price."

See Lex

Tarmac sells Candecca holding

BY CHARLES BATCHELOR

Tarmac, the quarrying and civil engineering group, has disposed of its 10 per cent holding in Candecca Resources, the USM-quoted oil and gas group, following the boardroom shake-up there.

The original hope of Tarmac was to merge its own oil and gas subsidiary (Plascom) with Candecca but problems at that company meant this had become unlikely.

Tarmac sold its 3m share holding in December to Morgan Grenfell, but exercised an option to repurchase them and placed them "fairly broadly" in the market at 158p earlier this week to raise £4.74m.

Mr Graeme Odgers, Tarmac's finance director, said: "We did a deal just over a year ago with Candecca which meant we took a 10 per cent shareholding and they took a fairly significant holding in our oil and gas company Plascom."

Relations between the two companies remain amicable and Candecca will retain its holding of just under 40 per cent of Plascom.

"After the difficulties at Candecca it became problematical whether we would ever be able to slide Plascom into Candecca. We had our oil and gas investments split between two companies, Candecca and Plascom, and this did not make sense."

Plascom's principal interest is a 2.3 per cent stake in the gas-producing Hewitt Field in the North Sea.

Candecca is currently reconstituting its board following an attempt by its largest shareholder, the Canadian group, Sceptre Resources, to appoint a new chairman, against the wishes of the British directors. A new board representing the British and Canadian interests equally is now being put together.

RESULTS AND ACCOUNTS IN BRIEF

APV HOLDINGS (process plant manufacturer)—Results for 1982 already known. Shareholders' funds £101.3m (£91.06m); fixed assets £73.0m (£77.01m); current assets £175.06m (£163.45m); current liabilities £31.63m (£54.12m) including creditors and provisions £75.14m (£66.51m). Meeting, Institute of Directors, 116 Pall Mall [illegible]

[illegible] (£26.2m) and bank loans, overdrafts and short term loans £20.6m (£29m). Meeting, Liverpool, May 23, 2.30 pm.

JAMES NEILL HOLDINGS (tool manufacturer and general engineer)—Results for 1982 reported April 26 with observations on prospects. Group shareholders' funds £24.29m (£25.12m). Net current assets £16.8m (£22.27m) [illegible]

[illegible] current assets £1.32m (£1.53m). Jacks International holds a 57 per cent stake in the company. Meeting: Bagshot, Surrey, May 25, 11.30 am.

GIBBS AND DANDY (builders' merchant, electrical, wholesaler)—Results for 1982 already known. Group fixed assets £2.31m (£2.23m), net current assets [illegible]

[illegible]

St Paul lifts stake in Minet to 25.98%

By John Moore, City Correspondent

The St Paul Companies Incorporated, a major U.S. property and casualty insurance group based in Minnesota, has raised its stake in Minet Holdings, the British insurance broker, to 25.98 per cent. The move follows the recent acquisition by the American group of a further 5 per cent stake in Minet which built its holding up to 24.96 per cent.

By its action St Paul has directly challenged a warning made by Sir Peter Green, *Lloyd's* chairman, that "if St Paul purchased the whole or more than 25 per cent of Minet Holdings they might very well find that while they had purchased an insurance broker, it would be a broker who was not authorised to place business at Lloyd's."

Lloyd's insurance market felt that there was a danger that if an insurance company owned one of the market's approved brokers there was a danger that each party in the *relationship* would give and get preferential treatment establishing potential conflicts of interest.

Lloyd's ruling council is considering the whole question of insurance companies owning brokers on May 16. Mr Douglas Leatherdale, executive vice-president of St Paul, yesterday met with Sir Peter Green. Mr Leatherdale told Sir Peter that St Paul has increased its investment in order to achieve equity accounting treatment for Minet in the accounts of St Paul, accounting for Minet as an associate company.

He said that it remains St Paul's intention "to be minority shareholders in Minet, acquiring additional shares only as necessary to maintain their percentage interest in the issued share capital."

In a conciliatory statement *Mr Leatherdale* said that he had assured Sir Peter that St Paul respect and have a high regard for the philosophy of the Lloyd's insurance market.

St Paul believe that their interests as investors in Minet will best be served if Minet demonstrably maintains its complete independence of action on behalf of clients and its strong identity with a flourishing Lloyd's market."

The broking operations of *Minet are to remain in the* control of Minet directors with the authority to carry out the requirements of the committee of Lloyd's with regard to the management and conduct of its Lloyd's broking business. "St Paul will not use their ownership to change this relationship."

Mr Raymond Pettit, chairman of Minet, said yesterday that the group had not been aware that St Paul proposed to increase its stake. "We were not consulted or advised and we are studying the situation." The group plans to write to shareholders in the next few days.

Sir Peter said he welcomed the assurances given by St Paul "and in the light of this and other factors, the holding of a substantial minority investment in Minet by the St Paul will not prejudice Minet's membership at Lloyd's."

Over 79% of UDS accept Hanson terms

The bid by Hanson Trust for UDS Group achieved over 79 per cent acceptances as it reached its second closing date yesterday afternoon but it became clear that Bassishaw Investments, the consortium led by Mr Gerald Ronson, had elected not to take the offer.

The decision by Bassishaw, which opened the bidding for the multiple and department stores group early last January, implies that the consortium members cannot now elect to *take Hanson's 133½p per share* cash terms.

It still means, however, that the combination of individual, pension fund and investment trust interests which make up the consortium can still elect to accept Hanson's equity plus cash alternative. Hanson, advised during the course of this bid by J. Henry Schroder Wagg, has extended these terms until further notice.

Hanson has achieved the important level of 75 per cent acceptances which allows for the sale of any UDS division it chooses without a blocking vote at an extraordinary meeting. That means, for instance, that Allders could go to House of Fraser, should Fraser maintain its interest and the John Collier and Richard Shops multiple chains could be sold to Burton Group which without doubt, maintains a keen interest in such a deal.

Bassishaw retains a 14.1 per cent holding in UDS which says that Hanson lacking 90 per cent control cannot exercise Section 209 of the 1948 Companies Act and acquire compulsorily the minority. One result of such resistance is that Hanson has to undertake the administrative burden of maintaining a separate shareholders' register for UDS.

It is possible that Bassishaw will now attempt to use this block as a lever with which to negotiate for units of UDS, most probably the two multiples which Mr Cyril Spencer, the chief executive of Bassishaw, is known to want. It is doubtful, however, whether the full original weight of the consortium will be needed to finance the purchase of any individual trading division.

See Lex

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

On *Wednesday, General Felt's controversial bid for Sotheby* Parke Bernet was referred to the Monopolies Commission. The decision to refer the bid was taken by Lord Cockfield, the Trade Secretary, against the recommendation of Sir Gordon Borrie, Director-General of Fair Trading. The Monopolies Commission referral meant that the 520p per share cash offer worth £61m from Mr Stephen Swid and Mr Marshall Cogan, who control General Felt, automatically lapsed. This prompted a 73p drop in the Sotheby share price to 460p. Sotheby's welcomed the decision and said it would begin considering its submissions to the Monopolies Commission. Acting for an unnamed rival suitor—thought to be another U.S. concern—for Sotheby's which emerged on Tuesday, Lazard Brothers stated that the referral would allow it to complete its investigations at a more sensible pace. If the unnamed suitor indicates its intention to make an offer for Sotheby's, this will also automatically be referred to the Monopolies Commission.

Finance house Lloyds and Scottish sold its House of Clydesdale subsidiary to five existing directors in one of Britain's biggest management buy-outs. More than £30m has been raised through a new specially-formed company called Latz to finance the purchase and provide working capital for House of Clydesdale which sells electrical goods and musical instruments.

Along with the £34.8m disposal of its Key Markets retailing chain to Safeway Food Stores, announced last week, Fitch Lovell, in a letter to shareholders, also confirmed the sale of its chain of butchers shops to Union International for £4.05m and the disposal of its poultry division to Favor Parker for an estimated £2.5m cash. Linfood bid £75m for Fitch Lovell last autumn, but the bid lapsed after being referred to the Monopolies Commission. Since then, Linfood has attempted to negotiate the purchase of Key Markets itself and is studying the letter to discover whether it could formulate a higher offer for the retailing chain.

Baltic Leasing is to make a minimum £5.3m offer for West Coast and Texas Regional Investment Trust. Baltic's bid involves the offer of 72 of its own shares for every 100 West Coast shares. There is a cash alternative of £160 for every 100 shares. English Association, which had already tabled a £4.23m bid for West Coast, has undertaken to accept Baltic's offer in respect of its 31.5 per cent holding.

Following the acquisition of First National Finance Corporation's 30.51 per cent stake in Regalian Properties at 47p per share cash, Davstone, a company beneficially owned by the Regalian chairman, has increased its stake in Regalian to 61.59 per cent and has therefore extended an offer on the same terms to remaining shareholders.

Mr Rupert Murdoch's holding company, News Corporation, increased its stake in News International to 77 per cent by acquiring 2.67m special dividend shares at 225p per share and subsequently offered nearly £21m for the remaining shares. News Corporation already owns all the News International Ordinary shares.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
	Prices in pence unless otherwise indicated.				
Aberthaw Cement	749§	640	420	21.54	Blue Circle
Alpine Holdings	138	144	97	15.88	Kean and Scott
Andrsn Strthclyde	200*	196	179	94.83	Charter Consd
Anglo Met	90●	90	80	5.31	Atlantic Met
Austin (E.)	60*	35	50	2.54	Caparo Industries
Austin (James)	92*§	90	64	4.14	Trumans Steel
Barton Group	42½*§	38	32	10.20	Caparo Industries
Bell and Sime	160*§	155	136	0.45	Fleming (J.)
Benn Bros	181	193	150	12.14	Utd Newspapers
Benn Bros	186	193	185	12.47	Extel
Brotherhood (P.)	13½*	13	26	0.61	Thermo Electron
Crest Internatnl	13½	13	13	4.78	Kwik-Fit
Davenport Brwy	330§ §§	270	246	26.78	Wolv Dudley
Dollands	37½*	165	70	0.15	A. P. Ward and N. Fetterman
Edin & Gen Insce	23	22	13	5.01	Mills & Allen Intl
Heal	£38*	£36	£16	4.80	Habitat Mthrcare
Highgate Optical	23*	60	35	0.47	Exent
Jeavons Engng	79	72	62	4.42	Newman-Tonks
Leisure Industs	368	350	290	7.36	Riley Leisure
Long and Hambly	10*‡	9½	8	0.21	Tarmac
News Internatnl	225*§	218	223	20.60	News Corporation
Rediffusion	375§	362	353	116.6	BET
Regalian Props	47*§	68	51	13.07	Davstone
RTD	16*	20	14	0.30	East Anglian Secs
Saxon Oil	117½§	188	66	17.66	Clyde Pet
Steetley	188½	209	153	115.2	Hepwrth Ceramic
Sumrie	60*§	95	70	0.95	Afcor Invs
Surmah Vlly Tea	148‡‡	125	123	1.18	Rightwise
Tilling (T.)	204	211	176	593.6	BTR
Trident TV "A"	83§§	86	104½	1.27	Pleasurama
UDS¶¶	133	131	110	253.6	Hanson Trust
W. Coast & Texas	175	156	156	5.25	Baltic Leasing

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ** Based on May 6 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Unconditional. ● Loan stock alternative.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Assoc Leisure	Jan	5,520	(3,760)‡	10.6	(9.4)‡	5.0	(5.5)‡
Bonusbond Hldgs	Dec	93	(514)	—	(17.7)	—	(3.5)
Boot (Henry)	Dec	2,190	(1,890)	30.0	(27.5)	14.5	(13.0)
Bremner	Jan	143	(246)	2.2	(2.8)	2.2	(4.3)
British Airways	March	83,000	(100,000)L	—	(—)	—	(—)
Caparo Industries	Dec	1,220	(419)	4.6	(5.3)	1.25	(1.0)
Causton (Sir J.)	Jan	1,250†	(886)‡	6.6†	(7.0)‡	2.84†	(2.13)‡
Central & Shrwd	Dec	41	(154)	—	(—)	0.3	(1.05)
Clayton	Dec	575L	(100)L	—	(—)	6.0	(6.0)
Cole Group	Dec	260	(389)L	9.0	(—)	3.0	(2.0)
European Ferries	Dec	30,700	(27,500)	8.3	(8.0)	3.35	(3.1)
Folkes (J.) Hefo	Dec	1,000	(724)L	1.4	(—)	1.25	(1.25)
Forward Tchnlgy	Dec	997L	(691)L	—	(—)	—	(3.0)
Foseco Minsep	Dec	14,870	(23,400)	7.4	(17.5)	7.0	(7.0)
French Kier	Dec	12,440	(11,290)	15.3	(16.1)	4.85	(4.25)
Garnar Booth	Jan	1,120	(811)	15.9	(8.9)	6.65	(6.4)
Gerrard & Natnl	April	14,210a	(4,310)a	95.0	(26.8)	20.0	(15.75)
Hawley Group	Dec	5,450	(2,900)	9.5	(7.6)	2.76	(2.65)
Henderson (P. C.)	Dec	3,920	(2,490)	33.6	(31.1)	12.0	(10.0)
Henriques (A.)	Dec	145	(36)	1.9	(1.2)	1.5	(1.5)
Holt (Joseph)	Dec	2,170	(1,850)	35.6	(33.4)	10.0	(9.0)
Hopkinsons Hldgs	Jan	3,500	(3,490)	17.0	(19.8)	5.65	(5.44)
Jenks and Cattell	Dec	110¶	(433)L‡	—	(—)	1.5¶	(1.0)‡
Liberty	Jan	747	(514)	11.6	(2.2)	3.0	(2.4)
London Utd Invs	Dec	4,320	(3,829)	24.1	(20.1)	11.0	(10.0)
Marks & Spencer	Mar	239,300	(222,100)	10.3	(9.2)	5.1	(4.6)
Marshalls Unvrsl	Dec	737	(153)	—	(—)	—	(0.1)
Milletts Leisure	Jan	867	(915)	11.9	(10.7)	6.95	(6.95)
Mowlem (John)	Dec	8,500	(7,800)	28.3	(34.5)	10.5	(9.63)
Nurdin & Peacock	Dec	11,320	(10,080)	11.4	(11.0)	3.12	(2.7)
Pentland Inds	Dec	1,010	(1,320)	8.4	(8.6)	1.83	(1.63)
P & O	Dec	33,548	(40,950)	14.0	(21.0)	10.0	(10.0)
Roberts Adlard	Dec	761	(927)	21.3	(23.2)	10.0	(9.0)
Silvermines	Dec	720§	(3,400)§	10.5	(24.7)	3.5	(3.5)
Slingsby (H. C.)	Dec	65	(2)	3.9	(0.2)	2.4	(1.2)
Smith St Aubyn	April	1,420a	(2,750)La	6.6	(—)	3.5	(4.5)
Sound Diffusion	Dec	3,250	(1,590)	6.7	(3.6)	0.87	(0.72)
Sunlight Service	Dec	2,810	(2,160)	17.5	(13.2)	4.39	(3.38)
Tootal	Jan	14,939	(14,849)	5.3	(3.2)	2.35	(2.35)
Towles	Feb	375	(151)	15.2	(6.5)	2.4	(2.1)
Ward White	Jan	5,340	(3,520)	10.7	(7.8)	4.48	(4.2)
Warnford Invs	Dec	3,840	(3,310)	21.8	(23.8)	12.5	(12.0)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Barton Transport	March	37L	(180)L	—	(—)
Brentnall Beard	March	81	(62)	—	(—)
Cowie (T.)	March	325	(311)	0.8	(0.8)
Fitzwilton	Dec	348$	(543)$	1.0	(2.0)
Humber Electrnc	Nov	89L	(71)	—	(—)
Pearce (C. H.)	Nov	1,300	(1,380)	4.25	(4.25)
Ryl Bk Scotland	March	30,900	(43,100)	3.0	(2.8)

(Figures in parentheses are for the corresponding period.)

* Dividends are shown net except where otherwise stated. † For 16 months. ‡ For previous 12 months. $ In I£. ¶ For 17 months. For 42 weeks. a Net profits after tax, minorities and a transfer to inner reserves.

Scrip Issues

Associated Leisure: One for two.
P. C. Henderson Group: Two for one.
C. H. Pearce and Sons: Two for one.
Roberts Adlard: One for one.
Sound Diffusion: Two for one.

Rights Issues

Hawley Group is raising £14.71m by way of a rights issue on the basis of one for four at 146p per share.
***London United Investments** is raising £5.146m via a one for three* rights issue at 175p per share

Offers for sale, placings and introductions

Abingworth intends to seek a full Stock Exchange listing.
American General has obtained a London listing for its common shares.
Castle (GB) plans to come to the USM.
International Income Property is coming to the Stock Exchange by way of an offer for sale of 1m one-cent shares and also a placing of 1m shares both at 587p per share.
Micro Focus Group is joining the USM by way of an offer for sale by tender of 2,367,800 shares at a minimum price of 155p per share.
Stainless Metalcraft is joining the USM later this month via an offer for sale.

EUROPEAN OPTIONS EXCHANGE

Series		May Vol.	Last	Aug. Vol.	Last	Nov. Vol.	Last	Stock
GOLD C	$400	16	34	16	48	—	—	$431.75
GOLD C	$425	10	15	—	—	4	44	"
GOLD C	$450	56	2.50	31	20.50 A	7	36	"
GOLD C	$475	12	0.60	17	11	—	—	"
GOLD C	$500	—	—	27	7	10	18	"
GOLD C	$550	12	0.10	28	3	13	9	"
GOLD P	$400	5	1	26	5.90	—	—	"
GOLD P	$425	—	—	11	12 B	—	—	"
GOLD P	$475	1	45	—	—	—	—	"
		June		Sept.		Dec.		
SILV C	$12	6	1.35	2	2.10	—	—	$12.45
SILV C	$13	5	0.75	6	1.50 A	11	1.60	"
SILV P	$12	4	0.50	—	—	—	—	"
		July		Oct.		Jan.		
AKZO C	F.45	10	12.50	—	—	—	—	F.57.20
AKZO C	F.50	26	8.80	15	11	—	—	"
AKZO C	F.55	288	5.70	2	8.50	12	9.50	"
AKZO C	F.60	215	3.50	25	5.10 B	—	—	"
AKZO C	F.65	75	1.90	26	3.50 B	7	5.80	"
AKZO P	F.45	12	1	2	1.70	—	—	"
AKZO P	F.50	86	1.90	—	—	—	—	"
AKZO P	F.55	120	3.70	10	5.50	—	—	"
KLM C	F.130	20	24 B	—	—	—	—	F.153.50
KLM C	F.140	167	17	—	—	—	—	"
KLM C	F.150	248	10.50	5	13.50 B	—	—	"
KLM C	F.160	386	6	12	10.50	—	—	"
KLM C	F.170	126	3.30	6	7	—	—	"
KLM P	F.110	10	1.20	—	—	—	—	"
KLM P	F.120	22	2	—	—	—	—	"
KLM P	F.130	97	3.20	—	—	—	—	"
KLM P	F.140	70	5.40	14	10	—	—	"
KLM P	F.150	32	8.50	10	15.50	—	—	"
KLM P	F.160	10	15.50 A	—	—	—	—	"
KLM P	F.170	—	—	10	28	—	—	"
PHIL C	F.30	—	—	20	15.20 B	—	—	F.44.90
PHIL C	F.35	30	10	2	10.40 B	—	—	"
PHIL C	F.40	60	6.30	62	7.50	—	—	"
PHIL C	F.45	378	3.30	125	5.40	106	6.50	"
PHIL C	F.50	872	1.70	211	3.20	30	4.20 A	"
PHIL P	F.35	—	—	12	1.10	—	—	"
PHIL P	F.40	79	1.10	1	2.50	—	—	"
PHIL P	F.45	95	2.80	4	4.10	—	—	"
PHIL P	F.50	5	6.40 A	—	—	—	—	"
RD C	F.90	4	30 B	—	—	—	—	F.120.30
RD C	F.100	19	20.50	17	20.80	—	—	"
RD C	F.110	167	11	57	11.50 B	—	—	"
RD C	F.120	111	4.70	167	6.90	6	8.50	"
RD C	F.130	83	1.70	114	3.70	17	4.80	"
RD P	F.90	2	0.30	—	—	—	—	"
RD P	F.100	2	0.50	1	2.20	—	—	"
RD P	F.110	42	2.90	29	5.20 A	—	—	"
RD P	F.120	98	7	50	10	—	—	"
UNIL C	F.200	8	11.70	2	15	—	—	F.209.90
UNIL C	F.220	85	4.90	1	8	10	11	"
UNIL C	F.240	—	—	5	4	2	5	"
UNIL P	F.190	10	3.40	—	—	—	—	"
UNIL P	F.200	5	6.30	—	—	—	—	"
		May		Aug.		Nov.		
12¾ NL 81 87-91								
C	F.112.50	5	17.80	—	—	—	—	F.130.50
C	F.125	25	5.40	150	6.50	—	—	"
C	F.127.50	105	3.20	27	4	—	—	"
C	F.130	—	—	127	2.30	10	3.30	"
C	F.135	10	0.30	20	0.90	13	1.70	"
P	F.127.50	—	—	3	1.30	—	—	"
P	F.130	100	0.60	14	2.50 B	—	—	"
11¼ NL 82 88-92								
C	F.112.50	—	—	5	2.40 A	—	—	F.114.10
C	F.115	—	—	5	1.50	—	—	"
C	F.117.50	—	—	25	0.40	—	—	"
P	F.115	—	—	25	2.20	—	—	"
10 NL 82-11 86-89								
C	F.107.50	100	1.80	18	3.20	—	—	F.109.40
C	F.115	—	—	18	0.30	—	—	"
7¾ NL 82 89-93								
C	F.100	—	—	22	0.70	100	1.20	F.98.40
7½ NL 83 87-90								
C	F.97.50	—	—	5	1.40	—	—	F.98
C	F.100	—	—	2	0.60	—	—	"
P	F.100	400	2.20 B	—	—	—	—	"

TOTAL VOLUME IN CONTRACTS 10,086

A=Asked B=Bid C=Call P=Put

BASE LENDING RATES

A.B.N. Bank .... 10 %
Al Baraka International 10 %
Allied Irish Bank ...... 10 %
Amro Bank .... 10 %
Henry Ansbacher ...... 10 %
Arbuthnot Latham ... 10 %
Armco Trust Ltd. ...... 10 %
Associates Cap. Corp. 10 %
Banco de Bilbao ...... 10 %
Bank Hapoalim BM ... 10 %
BCCI .... 10 %
Bank of Ireland ...... 10 %
Bank Leumi (UK) plc 10 %
Bank of Cyprus .... 10 %
Bank of Scotland ...... 10 %
Banque Belge Ltd. ... 10 %
Banque du Rhone ...... 11 %
Barclays Bank .... 10 %
Beneficial Trust Ltd.... 11 %
Bremar Holdings Ltd. 11 %
Brit. Bank of Mid. East 10 %
■ Brown Shipley 10½%
Canada Perm't Trust 11 %
Castle Court Trust Ltd. 10½%
Cayzer Ltd. .... 10 %
Cedar Holdings .... 10 %
■ Charterhouse Japhet... 10 %
Choulartons .... 11 %
Citibank Savings ......¶10 %
Clydesdale Bank ...... 10 %
C. E. Coates 10½%
Comm. Bk. of N. East 10 %
Consolidated Credits... 10 %
Co-operative Bank ......*10 %
The Cyprus Popular Bk. 10 %
Duncan Lawrie .... 10 %
E. T. Trust 10½%
Exeter Trust Ltd. ...... 11 %
First Nat. Fin. Corp. 12½%
First Nat. Secs. Ltd. 12 %
Robert Fraser 10½%
■ Guinness Mahon .... 10 %
Grindlays Bank ....‡10 %
■ Hambros Bank .... 10 %
Heritable & Gen. Trust 10 %
■ Hill Samuel ....§10 %
C. Hoare & Co. ....†10 %
Hongkong & Shanghai 10 %
Kingsnorth Trust Ltd. 11 %
Knowsley & Co. Ltd. ... 10½%
Lloyds Bank .... 10 %
Mallinhall Limited ... 10 %
Edward Manson & Co. 11½%
Midland Bank .... 10 %
■ Morgan Grenfell ...... 10 %
National Westminster 10 %
Norwich Gen. Tst. ...... 10 %
P. S. Refson & Co. ... 10 %
Roxburghe Guarantee 10½%
Royal Trust Co. Canada 10 %
Slavenburg's Bank ... 10 %
Standard Chartered ...‖10 %
Trade Dev. Bank ...... 10 %
Trustee Savings Bank 10 %
TCB .... 10 %
United Bank of Kuwait 10 %
Volkskas Intl. Ltd. ... 10 %
Westpac Banking Corp. 10 %
Whiteaway Laidlaw ... 10½%
Williams & Glyn's ... 10 %
Wintrust Secs. Ltd. ... 10 %
Yorkshire Bank .... 10 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 6.75%. 1-month 7.00%. Short-term £8,000/12-months 9.35%.
† 7-day deposits on sums of: under £10,000 6¾%, £10,000 up to £50,000 7¼%, £50,000 and over 8¼%.
‡ Call deposits £1,000 and over 6¾%.
‖ 21-day deposits over £7,000 7¼%.
§ Demand deposits 6¾%.
¶ Mortgage base rate.

CONTRACTS

Douglas wins £14m in Middle East

Three associate companies of R. M. DOUGLAS CONSTRUCTION in the Middle East have been awarded contracts during the last six weeks totalling £14m. In Oman, Douglas-OHI has been awarded a £6.6m contract by the General Telecommunications Organisation for construction of a headquarters office complex in Muscat, together with a telephone exchange at Muttrah and two repeater stations at Firg and Rusail. The headquarters complex includes a 200 ft high telecommunications tower and four other smaller towers which will be constructed by the Douglas Group subsidiary, British Lift Slab, using the Siemcrete Slipform technique. Douglas-OHI has also been awarded a £0.75m contract for civil engineering and building construction work in Southern Oman at the Thumrait air base. Al-Esayi Saif Norman Douglas has won the contract for the construction of the new Saudi-Dutch bank headquarters building in Jeddah, Saudi Arabia. The contract is valued at £4.25m. The Douglas associate company in the United Arab Emirates, Khansaheb Civil Engineering has obtained £2.5m-worth of work since April 1 in a number of contracts ranging through road construction, bridgeworks, building and small works.

★

Bovis to build £9m Swindon social centre

BOVIS CONSTRUCTION has been appointed managing contractors by Thamesdown Borough Council for a £9m leasure- and social centre at Swindon. Being developed by the Borough Council, the West Swindon Leisure Centre wil be the main recreational and social focal point for Swindon's major expansion area, which already houses some 14,000 people and which will have a planned eventual population of 40,000. The Leisure Centre (part of a comprehensive district and centre development which already includes a Carrefour superstore) will incorporate an ice-rink, sports hall, swimming pool, squash courts, large community hall, theatre and art workshops, library, restaurant and bars, smaller halls for community use will also be built. Work on site will begin shortly, and the complex will be completed in December 1984.

★

A contract worth more than £5.2m to export irrigation pump drives to the Middle East has been won by *NEWMAN ELECTRIC MOTORS*, Bristol. Under the contract nearly 4,000 motors, ranging from 18 to 150 KW, will be supplied thi year to an overseas subsidiary of the Slington Group of Reading, Berks, for distribution by agents to power deep-well turbine pumps on several Middle East irrigation schemes. The motors are vertical hollow-shaft, to a design originally developed for the U.S.

★

The Link-Miles division of THE SINGER COMPANY (UK) has been awarded a contract to build a second KC-10A aircraft flight simulator for American Airlines Training Corp. The order is thought to be worth well over £5m. The U.S. Air Force has awarded a contract to McDonnell Douglas Aircraft Company for 44 additional KC-10s. American Airlines is to train USAF KC-10A aircrews and will use the simulator as part of the training programme. Link-Miles delivered the first KC-10A simulator last year and it is now in training service at Barksdale Air Force Base, Louisiana.

★

Under a £180,000 contract from the Scottish Development Agency, PRESS CONSTRUCTION's regional division at Renfrew is to instal the heating and plumbing systems in the industrial units being developed by the SDA in Craigton. The division has also won a £40,000 contract for installing gas heating and ventilating systems in the SDA's workshops on Hillington Industrial Estate.

★

TILDEN, the Bristol-based scaffold and formwork company, has won three Middle East orders worth a total of £70,000. A £24,200 order is for Tuf-frame and lattice floor centres to be used as support for Satco of Muscat; £36,830 for Tuf-frame to be used as access nearly 60 metres high for A. A. Nass of Bahrain; and £17,500 worth of column clamps for Allied Maintenance Company, Jordan.

★

£8m Edinburgh hotel work for Miller

MILLER PROJECT MANAGEMENT, part of the Edinburgh-based Miller Group has been awarded the £8m management contract, by the Capital Hotel Partnership, for the construction of a five-star Sheraton hotel in Edinburgh. The hotel will be situated opposite the Usher Hall at the junction between Lothian Road and the Western Approach Road. The hotel will have a floor area of 19,050 sq metres and include 274 bedroms, health club, 500-seat ballroom, conference facilities for some 700 delegates, special syndicate and meeting rooms, speciality food restaurant, suites, bars, lounges and dining rooms. It will be fully air-conditioned and provide parking for some 180 cars. Site work has begun and the contract period is 18 months. The hotel will be constructed on seven levels. The lower ground and ground floors will be constructed in structural steel and the upper five levels in load-bearing blockwork, cross walls and composite concrete floors. The east elevation of the hotel will be clad in natural stone and the other elevations in reconstituted stone. Re-alignment of the Western Approach Road will be carried out under separate contract to enable the north wing of the hotel to be built.

Work has begun on site for the *refurbishment of the former* Swan and Edgar building in Piccadilly Circus, London. JOHN LELLIOTT MANAGEMENT FEE has been awarded an £8.5m management contract for the work. The outside of the building will be cleaned and restored and 50,000 sq ft of selling space will be formed on the lower floors and 50,000 sq ft of offices on the upper floors. The space will be completely refurbished, modernised and air conditioned. Shopping areas will be completed in April 1984 and offices in September of that year.

★

The Anglian Water Authority (Norwich division) has awarded *a contract to the* DREDGING AND CONSTRUCTION COMPANY for the Great Yarmouth long sea outfall worth approximately £3.6m. The 900 mm diameter welded steel pipeline with diffuser manifold located about 1,200 metres offshore is to be built by the bottom tow method during the summer. The contract forms part of a £8.5m scheme designed by John Taylor and Sons (Consulting Engineers) to provide sewage treatment for an estimated summer population of 100,000. The contracts, for civil works and electrical and mechanical services will be let later this year.

★

The Midland region of R. M. DOUGLAS CONSTRUCTION has recently won contracts valued at £5.75m. They include a design and build contract for a £900,000 hall at the National Exhibition Centre, Birmingham; a £3m office block and research unit for Plessey at Caswell, Northamptonshire, an old people's home worth £750,000 for the City of Birmingham, and a £1m contract for reconstruction and resurfacing to the M5 motorway for Gloucestershire County Council.

★

ARC CONCRETE PRECAST has won two orders worth £500,000 *for the supply of precast concrete products from its works at* Trusham, Newton Abbot, Devon. The *first* order involves the supply of over 250 arch units to the Department of Transport for a road diversion in Cornwall, the A30 Polstrong to St Erth Diversion. Two types of units are being supplied, weighing 8 and 10 tonnes each, which will form part of a culvert and bridge over a branch railway line. The second contract covers delivery of precast concrete cladding units for Tarmac Regional Construction at an office *development at Victoria Square,* Birmingham.

★

J. F. FINNEGAN has acquired the following business during the past three months: alterations to and refurbishment of the Mansion House at Dorton House Sheool, Sevenoaks for the *Royal Society for the Blind*, under a £2m contract. A £500,000 contract for a three-storey office block and basement car park in Southampton for Municipal Mutual Insurance. Flats and bungalows at Kettering for Kettering Borough Council and two advanced factory blocks at Kiln Farm, Milton Keynes for Milton Keynes Development Corp worth nearly £1m.

★

Marks & Spencer has placed a £3.5m order with NCR for computer systems to speed up the process of remerchandising the stores and to enable the company to react more quickly to sales trends. Marks & Spencer will, in effect, be setting up a distributed processing network based on NCR micro-computers located in every store. The order includes 267 NCR 1-9010 micro-computers, two NCR 1-9020 mini-computers, and two NCR 9040 computers. Installation is to be completed by the end of this year.

★

£10m North Sea platform job

FOSTER WHEELER PETROLEUM *DEVELOPMENT* has been awarded the detailed topsides engineering contract, valued in excess of £10m, for the Alwyn North Drilling Platform NAA by Total Oil Marine, operator for the Alwyn North *Development, acting on behalf of* Elf UK and Total Oil Marine. The NAA Platform jacket is due to be installed in 1985; subsequent module installation and hook-up should allow production drilling to commence in 1986. Platform *facilities* include both drilling and accommodation modules. The NAA Platform will later be linked to a similar steel jacket (NAB) which will support process facilities for Alwyn North gas and liquid production.

£6.5m Snow Hill order for Norwest

NORWEST HOLST CONSTRUCTION has been awarded a contract to construct around 100,000 sq ft of multi-storey office accommodation in two interconnecting suites on part of the site of the former British Rail Snow Hill station in the centre of Birmingham. The development, which is to be built for the Sun Alliance Insurance Group, under a £6.5m contract, will be the main Midlands regional office. The buildings will have precast concrete frames supplied by F. C. Precast of Derby and be clad with brickwork and Reflecta-Float solar control glass. The high-quality, air-conditioned office accommodation, in two linked blocks of 10 and six stories, will have car parking in the basement area, where there will be provision for a future railway track and associated services. A carefully landscaped plazza with glazed canopies will provide access to the buildings. Work began on site on April 25 and is scheduled for completion by December 1984.

APPOINTMENTS

Booker top food post

Mr Robert C. M. Muir will join BOOKER McCONNELL'S food distribution division during May as managing director designate of BBW Cash and Carry, the wholesaling operation. He will also join the food distribution division board. He will succeed Mr W. J. Marjoram, the present managing director of BBW Cash and Carry, who retires at the end of 1983. Mr Muir was managing *director of the superstores* division of BAT Stores (Holdings).

★

Mr G. Stuart G. Grown has been appointed financial director of TRADE FINANCE INTERNATIONAL, *in place of Mr L. W.* Keller who has resigned for personal reasons. Mr Brown was previously group finance director of Beree Group.

★

Mr Ken Smith has joined the board of WATMOUGHS (HOLDINGS). He is sales director of D. H. Greaves, a member of Watmoughs (Holdings).

★

Mr James E. Boyd is to join the court of directors of the BRITISH LINEN BANK as a non-executive director. He is financial adviser to the Denholm Group and on the board of a number of other public companies and financial institutions.

★

Mr C. R. T. Laws has been appointed chairman of the Bristol sub-committee of the Midlands and Western Unit of the STOCK EXCHANGE. Mr *T. C. M. Stock has been appointed* vice-chairman.

★

Mr Roy Webb has been appointed a vice president of BROWN AND ROOT (UK). He is a vice president of Brown and *Root Inc. for whom he has* worked for 17 years. He succeeds Mr Thaddeus (Bo) Smith III who is a vice president of Brown and Root Inc. and has been appointed president of Taylor Diving and Salvage Co Inc, a wholly-owned subsidiary.

★

Mr Malcolm Little, formerly managing director of United Biscuits Frozen Food retail division, has been appointed managing director of SCOTFRESH, Eyemouth.

Mr David Wells has been appointed national marketing director of PARAMOUNT FABRICATIONS. He was formerly managing director of the UK office of German plastics extrusion machinery maker Reifenhauser.

★

Mr Howard Stanworth has been appointed general manager of COMMODORE BUSINESS MACHINES (UK). He succeeds Mr Robert Gleadow who is promoted to become vice-president, Commodore Electronics, Hong Kong, from June 1. Mr Stanworth was a director of St Ivel and managing director of *Unigate Dairies (Midlands).*

★

Mr L. E. Masters, a senior vice-president of Royal Insurance in the U.S., is seconded to ROYAL INSURANCE, in London, as an acting assistant general manager, for 12 months from May 18.

★

Mr J. Anthony Geddes a director of TRANSINTERNATIONAL LIFE, has been appointed chairman. He is a former managing *director of Hill Samuel Life, and* is a partner in the firm of R. Watson and Sons (consulting actuaries). Other board appointments are Mr Clifford D. Sharp, the retiring chairman, who continues to serve as deputy chair*man; Mr Peter Oglesby, formerly* secretary of the Occupational Pensions Board and a former deputy secretary with the Department of Social Security, who becomes a director, as does Mr Raymond A. Bierschbach (U.S.), president of Transamerica International Insurance Services, who has been with the Transamerica Group since 1960.

★

Mr Donald Rowley, deputy managing director (Bristol) British Aerospace, has been elected president of the ELECTRONIC ENGINEERING ASSOCIATION and chairman of council for the year 1983-84. He succeeds Mr T. Mayer of Thorn EMI Electronics.

Mr Peter Rosewell has been appointed to the board of SHOWERINGS, VINE PRODUCTS & WHITEWAYS division of Allied-Lyons as divisional finance director. He was previously divisional finance controller.

LONDON TRADED OPTIONS

Option	Calls July	Calls Oct.	Calls Jan.	Puts July	Puts Oct.	Puts Jan.
Brit. Petroleum (*388)						
300	96	102	—	2	3	—
330	66	72	—	4	9	—
360	40	50	60	10	18	22
390	22	32	42	24	32	36
420	9	16	26	44	50	54
Cons. Goldfields (*532)						
420	124	—	—	3	—	—
460	84	101	—	6	11	—
500	54	70	80	16	30	36
550	24	40	54	42	56	66
600	6	22	—	76	—	—
Courtaulds (*98)						
70	30	32	—	1½	2	—
80	20	22	24	2	3	4
90	14	16	16	4	6	8
100	7	9	11	9	11	13
Commercial Union (*156)						
120	38	41	—	1½	1½	—
130	29	32	—	2	3	—
140	23	26	29	3	6	8
160	9½	14	16½	13	14	17½
G.E.C. (*222)						
180	50	56	—	2	4	—
200	30	40	—	4	8	—
220	23	28	36	14	21	24
240	12	19	28	24	30	35
260	6	—	—	42	—	—
Grand Met. (*329)						
280	56	—	—	2	—	—
300	37	45	—	6	7	—
330	19	26	55	15	19	22
360	10	15	21	34	37	38
390	4	7	—	62	64	—
I.C.I. (*450)						
330	130	—	—	3	—	—
360	100	104	—	3	3	—
390	70	78	—	5	6	—
420	46	54	66	12	16	20
460	20	34	44	26	36	40
500	10	18	30	54	62	66
Land Securities (*315)						
260	57	64	—	2	—	—
280	37	44	—	6	7	—
300	20	29	38	13	16	20
330	6	19	24	28	30	34
Marks & Spencer (*204)						
180	26	33	—	3	5	—
200	16	22	29	8	14	19
220	7	12	18	23	26	29
240	3	—	—	40	—	—
Shell Transport (*484)						
390	106	114	—	2	3	—
420	76	84	—	3	6	—
460	58	46	58	10	16	28
500	18	28	36	32	40	48
550	8	12	—	70	76	—

Option	Calls May	Calls Aug.	Calls Nov.	Puts May	Puts Aug.	Puts Nov.
Barclays Bank (*466)						
360	108	120	—	2	2	—
390	78	88	—	2	2	—
420	50	65	80	2	5	10
460	16	37	55	8	20	32
500	4	15	27	63	43	52
Imperial Group (*115)						
90	27	—	—	0½	—	—
100	17	—	—	1	—	—
110	7	13	15	1	3	6
120	2	7	9	6	10	11
130	1	3½	5	15	16	18
LASMO (*303)						
230	75	85	95	1	4	5
250	55	70	83	1½	10	15
270	35	55	68	2	15	20
290	20	43	—	8	20	—
300	—	—	45	—	—	30
320	5	25	—	25	35	—
330	—	—	30	—	—	50
350	2	—	—	—	—	—
380	1	—	—	—	—	—
Lonrho (*93)						
80	15	18	19	1	2	2½
90	6	11	11	2	5	6½
100	1½	6	7	8	11	13
P. & O. (*152)						
100	48	52	—	1	1	—
110	36	42	—	1	2	—
120	26	32	36	2	2	4
130	16	22	26	2	4	9
140	10	14	18	4	6	12
160	3	6	11	16	22	24
Racal (*469)						
420	55	75	90	3	8	13
460	17	45	60	10	25	35
500	4	20	40	35	47	55
550	3	13	—	85	85	—
600	3	4	—	135	135	—
650	3	—	—	185	—	—
R.T.Z. (*569)						
420	141	156	—	0½	—	—
460	101	116	—	0½	4	—
500	61	81	101	2	8	17
550	21	44	64	8	23	37
600	4	26	39	42	50	60
Vaal Reefs (*$118)						
80	—	—	—	1	—	—
90	29	31½	35	1	1½	4
100	18½	23	29	1	3	7
110	9	18	25	2	6½	10½
120	2	13½	19½	5	10½	15
130	1	8½	13½	13	—	20½
140	1¼	5	9½	—	—	—

Option	Calls June	Calls Sept.	Calls Dec.	Puts June	Puts Sept.	Puts Dec.
Beecham (*378)						
360	29	39	52	6	9	16
390	16	28	34	22	30	36
420	5	13	22	44	50	54
Guest Keen (*160)						
135	29	33	39	1½	5	8
155	12	17	22	6	11	15
175	4	9	12	18	22	25

May 6 Total Contracts 2,175 Calls, 1,655 Puts 520

* Underlying security price.

Companies and Markets

WORLD STOCK MARKETS

Dow at record 1231 by 1pm

SHARPLY HIGHER across the board in heavy trading on Wall Street yesterday as investors rushed to join the market's seemingly unstoppable rally.

The Dow Jones Industrial Average climbed steadily all morning and was up 11.32 to a new all-time record of 1,231.04 by 1 pm—*the record closing high for the Dow is 1,226.20, reached last Friday.*

The broader market's gain was even more impressive than the Dow's, which includes only 30 Blue Chip stocks. Advancing issues totalled more than 1,000, against some 450 declines. Volume swelled to 89m shares, compared with 80m at 1 pm Thursday.

Since April 6, which marked the start of the recent rally, the Dow has climbed more than 106 points and closed lower only five out of 21 sessions.

"There is nothing on the horizon to indicate anything but a higher market," one analyst said.

The NYSE All Common Index, at a record $95.32, rose 92 cents on the day and $1.05 on the week.

The Dow Jones Transportation Average continued to score impressive gains. The average, which measures the performance of 20 Airline, Rail and Trucking stocks, closed at a record high Thursday and gained another 6.75 to 554.32 by 1 pm yesterday.

Over the prior two sessions, the Transportation Average gained close to 32 points. Analysts attributed the performance to Wall Street's confidence that fuel prices will ease and the economy will continue to improve.

The Rail stocks were the strong performers in the group on Wednesday and Thursday but the Airlines rose yesterday. Active Pan Am climbed $¼ to $6¼. *Delta $2¼ to $48¼. Northwest Air $⅞ to $49½, UAL $1½ to $37 and Eastern Air $⅜ to $8⅜.*

THE AMERICAN SE Market Value Index moved up 4.71 to 441.52, making a rise of 15.14 on the week. Volume expanded 2m shares to 10m, compared with 1 pm Thursday.

Canada

Sharply higher at midsession, with the Toronto Composite Index at an all-time high of 2,420.8, up 26.7, which surpassed the previous record of 2,404.23.

The Metals and Minerals Index rose 59.4 to 2,234.0, Oil and Gas 46.9 to 3,374.4, Utilities 2.63 to 303.72 and Banks 1.66 to 517.19. But Golds shed 28.3 to 4,772.1.

Canada Northwest Energy, up $¾ at $24¾, reported that its *Vega Number 2 well offshore* Sicily flowed up to 5,000 barrels of oil a day in limited tests.

Germany

Prices ended firm, as fresh buying interest appeared to pull shares off their mixed opening levels.

The impetus came principally from Foreign investors, who, encouraged by new gains overnight on Wall Street, moved further funds into the market offsetting some of Thursday's selling pressure.

The Commerzbank Index, calculated mid-session, was up 2.7 at 940.4, but missed some of the late buying. It was, still 25.2 below the 22-year high seen 10 days ago.

While most of the buying concentrated on Blue Chips, AEG showed particular strength, reaching DM 76.20, up DM 5.90.

Dealers said the surge into AEG in recent days appeared to be based on Option Trading. But AEG is also due to announce 1982 results next week. Dealers said the outlook for its business is believed to have improved since it narrowly escaped bankruptcy last Summer.

Other Electricals also had a strong finish. Siemens, subject of some of the heaviest selling Thursday, rallied DM 3.9 to 348.70.

In Banks, Dresdner moved up DM 7.50 to 191 and Deutsche DM 5 to 333.

Switzerland

Domestic share prices were higher in active trading, with sentiment boosted by better prospects for the economy and interest rates.

Volume held up at this week's higher levels but business in special situation stocks eased. News that Swiss annual inflation fell to 4.5 per cent in April had no impact on the market.

In the generally firm Banking sector, major Banks were marked up bettwen SwFr 10 and SwFr 20.

Bonds were little changed in moderate trading, with no fresh factors influencing the market.

In Foreign shares, Dollar stocks mostly firmed in line with the overnight rise in New York. West Germans were mostly higher.

Tokyo

After a strong advance in the morning, the market held ground most o fthe day. But just before the close prices slipped back erasing some of its gains.

Sumitomo Chemical and Nippon Steel were each actively traded by Foreign investors. Nippon Steel rose Y2 to 174.

Sumitomo Chemical went up Y3 to 178. A market analyst said Sumitomo Chemical, Teijin and two other companies have joined Kyoto University in biotechnological research to produce agrichemicals, pigments and pharmaceuticals from plants. Teijin, however, fell Y8 to 295.

Hitachi put on Y5 to 800—it will increase funds for research and development 16.1 per cent to Y180bn from a year earlier for the fiscal year beginning April 1, sources said.

Australia

Slightly lower for the fourth day in a row, as lingering concern about market's ability to absorb any more Rights issues or share placements continued to inhibit trading.

In Resource stocks CSR shed 7 cents to A$3.18, Western Mining 5 cents to A$4.57 and Bougainville Copper 2 cents to A$2.58.

Brokers reported several large off-market trades in Second Ranking Resource stock Australia Oil and Gas. In Melbourne they noted three special sales comprising 3.28m shares, representing 15.8 per cent of issued *capital, sold at A$1.30 a share,* 5 cents below Thursday's closing rate.

Singapore

Share prices retreated with only Commodity-based issues showing some strength.

The Straits Times Index fell 8.05 to 961.41, taking it further away from an attempt to match the record high of 973 set in mid-1981.

One analyst said that despite slower economic growth for the nation, and generally poor results of local companies, investors were looking for better times. He said Institutions, mostly local ones, were still very liquid.

Plantations were steady or higher. K. L. Kepong rose 10 cents to S$2.65.

Tins were also steady, or higher.

Among Banks, only UOB drew much marked interest.

Hong Kong

Narrowly mixed with losses slightly outnumbering gains. Trading was dull and lacklustre throughout, mainly reflecting a lack of investment interest.

Sentiment was overshadowed by worries over the recently weak Hong Kong dollar. Brokers noted that the authorities' intervention this week to support the local currency only had a temporary impact.

New issue Marsworth rose sharply, adding $HK10 at $HK62. The stock commenced trading Wednesday at $HK30.

Johannesburg

Gold shares turned slightly firmer on late fairly active demand, after a generally directionless day.

Industrials closed mixed.

Closing prices for North America were not available for this edition.

CANADA

Stock	May 5	May 4
AMCA Intl	26½	26⅛
Abitibi	22	22
Agnico Eagle	19⅛	19
Alberta Energy	16¼	16
Alcan Alumin	36⅝	35⅞
Algoma Steel	29¼	29
Asbestos	13½	13⅛
Bk Montreal	32⅝	32½
Bk Nova Scotia	45¾	44
Basic Resources	36	35
Bo Canada	27⅞	27⅝
Bombardier	14¾	13½
Bow Valley	21⅞	21
BP Canada Res.	23⅝	23
Brascan A	31½	30⅝
Brinco	3.00	2.95
B.C. Forest	11¼	11⅛
CIL Inc	28⅜	28
CadillacFairview	9¾	9⅝
Can Cement	17⅛	17
CanNW Energy	24	23½
Can Packers	39½	39¼
Can Trustco	43	42⅝
Can Imp Bank	38⅝	38½
Can Pacific	47⅝	45⅝
Can. Pac. Ents	23¼	22⅝
Can Tire	60½	60⅛
Carling O'Kfe	16⅜	15¾
Chieftain	21	21⅛
Cominco	50¾	49¾
Cons Bathst A	21½	21½
Coseka Res	4.00	3.90
Costain	9⅛	9⅝
Daon Devel	2.24	2.15
Denison Mines	40⅛	38⅝
Dofasco	46⅝	46¼
Dome Mines	25	24⅝
Dome Petroleum	5.25	4.90
Dom Stores	17⅝	17⅝
Domtar	24½	24¼
Falconbrge Ltd	65	62
Genstar	29½	28½
Giant Y'knife	24½	24¼
Gt. West Life	1.98	1.98
Gulf Canada	17⅛	16⅝
Gulf Stream Res.	1.57	1.58
Hawk Sid. Can	18½	18¼
Hudson Bay Mng	20⅝	19⅞
Hudson's Bay	24¾	25
Husky Oil	11½	11
Imasco	36¼	36¼
Imp Oil A	36¾	35¾
Inco	18½	17⅝
Indal	21⅝	21½
Inter. Pipe	28⅛	27⅝
LAC Minerals	26½	25⅞
Mac Bloedel	30⅛	29½
Marks & Spencer	13¼	13⅛
Massey Ferg	6	6¼
McIntyre Mines	29	28
Mitel Corp	21⅞	20½
Moore Corp	61½	61½
Nat. Sea Prods A	11	9¾
Noranda Mine	25¾	24⅞
Nthn. Telecom	39½	......
Nova Alberta	9¼	8¾
Oakwood Pet	7¾	7¾
Pacific Copper	1.09	1.09
Pan. Can. Pet	29⅝	29⅝
Patino	26	26
Placer Dev	22¾	22⅛
Power Corp	17⅛	16⅞
Quebec Strgn	7½	7½
Ranger Oil	10¼	9½
Reed Stenhs A	16⅛	16
Rio Algom	45	45
Royal Bank	35⅝	35
Royal Trusco A	25¼	25¼
Sceptre Res.	5.50	5.12
Seagram	38⅞	38½
Shell Can Oil	24	24
Steico	26⅝	26
Teck B	11⅛	10¾
Texaco Canada	35	35
Thomson News A	37¼	36½
Toronto Dom Bk.	50⅝	49⅜
Transalta	23¼	23
Trans Can Pipe	[illegible]	[illegible]
Walker (H) Res	[illegible]	[illegible]
Westcoast Trans	[illegible]	[illegible]
Weston (Geo)	[illegible]	[illegible]

Indices

NEW YORK — DOW JONES

	May 5	May 4	May 3	May 2	April 29	April 28	1983 High	1983 Low	Since Cmpil't'n High	Since Cmpil't'n Low
◆Industr'ls	1219.72	1217.65	1208.91	1204.35	1226.20	1213.52	1226.20 (29/4)	1027.04 (5/1)	1226.20 (29/4/83)	41.22 (2/7/32)
H'me Bnds	77.71	77.16	76.93	77.01	76.50	76.37	77.16 (4/5)	70.78 (9/2)	—	—
Transport.	547.57	531.37	515.8	516.44	524.94	522.16	531.53 (20/4)	434.24 (3/1)	551.53 (20/4/83)	12.32 (8/7/32)
Utilities	129.34	128.87	127.81	127.31	128.41	127.77	129.84 (3/5)	119.51 (4/1)	163.32 (20/4/69)	10.5 (28/4/42)
TradingVol 000's	107,860	101,690	83,560	88,170	105,760	94,410	—	—	—	—

Day's high 1225.81 (1237.94) low 1202.4 (1198.63)

	April 29	April 22	April 15	Year ago (Approx)
Indust'l div. yield %	4.48	4.60	4.69	6.58

STANDARD AND POORS

	May 5	May 4	May 3	May 2	April 29	April 28	1983 High	1983 Low	Since Cmpil'n High	Since Cmpil'n Low
Indust'ls.	165.77	164.95	162.59	162.05	164.72	162.92	164.96 (4/5)	154.35 (3/1)	164.36 (4/5/83)	3.62 (30/6/32)
Comp's'te	166.56	164.70	162.64	162.11	164.42	162.85	164.70 (4/5)	138.34 (3/1)	164.70 (4/5/83)	4.40 (1/6/32)

	April 27	Apr. 20	Apr. 13	Year ago (approx)
Indust'l div. yield %	4.01	4.04	4.14	5.64
Indust'l P/E ratio	13.69	13.75	13.40	7.86
Long Gov. Bond yield	10.35	10.44	10.41	12.93

N.Y.S.E. ALL COMMON

May 5	May 4	May 3	May 2	1983 High	1983 Low
94.4	93.75	93.14	93.04	94.27 (29/4)	80.92 (24/1)

Rises and Falls	May 5	May 4	May 3
Issues Traded	1,994	1,852	1,962
Rises	1,183	1,032	722
Falls	475	493	870
Unchanged	336	327	370
New Highs	264	183	110
New Lows	6	8	4

MONTREAL

	May 5	May 4	May 3	May 2	1983 High	1983 Low
Industrials	405.06	400.32	396.51	395.19	405.03 (5/5)	351.18 (4/1)
Combined	319.4	390.81	387.44	388.81	390.81 (4/5)	325.12 (4/1)
TORONTO Composite	—	2547.2	2526.5	2525.9	2547.2 (4/5)	1949.8 (4/1)

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
East Kodak	2,753,600	77⅜	−2	Hammmill P	1,306,200	34⅛	+½
Pan Am Air	1,799,400	6	+¼	Con Ed NY	1,269,900	22⅛	−¼
ATT	1,583,900	69	+⅞	Chrysler	1,214,000	27⅞	+1⅞
Phil Petr	1,325,100	32⅛	−2⅝	Exxon	925,700	34⅞	−⅝
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

WORLD INDICES

	May 6	May 5	May 4	May 3	1983 High	1983 Low
AUSTRALIA						
All Ord. (1/1/80)	588.5	599.1	592.8	594.2	605.0 (26/4)	487.6 (4/1)
Metals & Minls. (1/1/80)	512.7	518.1	524.3	527.5	547.8 (22/4)	411.8 (4/1)
AUSTRIA						
Credit Aktien (2/1/62)	59.24	59.8	59.48	59.2	59.8 (5/5)	48.48 (16/2)
BELGIUM						
Belgian SE (31/12/63)	121.26	122.71	122.22	122.61	122.86 (28/4)	100.60 (4/1)
DENMARK						
Copenhagen SE (3/1/83)	140.66	(u)	138.56	139.45	140.86 (6/5)	100.00 (3/1)
FRANCE						
CAC General (31/12/82)	126.8	125.5	122.6	121.6	125.8 (6/5)	96.1 (5/1)
Ind Tendance (31/12/82)	127.9	127.7	127.5	125.9	127.9 (6/5)	98.0 (5/1)
GERMANY						
FAZ-Aktien (31/12/58)	314.47	313.49	317.14	313.63	321.64 (28/4)	241.69 (25/1)
Commerzbank(Dec 1953)	940.4	937.7	948.2	957.6	966.6 (27/4)	727.8 (26/1)
HONG KONG						
Hang Seng Bank (31/7/64)	968.71	987.29	986.64	1,003.15	1067.86 (14/4)	751.67 (4/1)
ITALY						
Banca Comm Ital. (1972)	192.94	194.6	196.55	197.06	214.85 (21/3)	160.46 (10/1)
JAPAN**						
Dow Average (16/5/49)	8670.64	(c)	8666.04	(c)	8704.39 (2/5)	7803.18 (28/1)
Tokyo New SE (4/1/68)	654.17	(c)	652.55	(c)	634.87 (2/5)	574.51 (25/1)
NETHERLANDS						
ANP-CBS General (1970)	126.2	124.8	124.1	128.7	131.0 (12/4)	100.1 (4/1)
ANP CBS Indust (1970)	104.1	102.5	101.6	101.6	109.2 (12/4)	85.5 (4/1)
NORWAY						
Oslo SE (4/1/83)	190.18	197.43	185.7	185.56	190.18 (6/5)	99.01 (4/1)
SINGAPORE						
Straits Times (1966)	960.41	993.46	966.62	949.6	980.41 (6/5)	712.29 (6/1)
SOUTH AFRICA						
Gold (1958)	—	(u)	924.6	917.8	1089.5 (1/2)	894.5 (28.8)
Industrial (1958)	—	(u)	899.7	896	940.5 (22/4)	740.3 (5/1)
SPAIN						
Madrid SE (31/12/82)	113.27	112.13	110.49	110.14	118.08 (13/4)	98.32 (11/1)
SWEDEN						
Jacobson & P. (1/1/58)	(c)	(c)	(c)	(c)	1427.76 (27/4)	996.16 (3/1)
SWITZERLAND						
SwissBankCpn. (31/12/58)	328.1	328.0	327.8	327.7	330.4 (2/5)	294.4 (4/1)
WORLD						
Capital Intl. (1/1/70)	—	178.1	177.5	178.4	178.1 (6/5)	164.5 (3/1)

(**) Saturday April 30: Japan Dow 8682.30. TSE 631.96

Base values of all indices are 100 except Australia All Ordinary and Metals—500. NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 Industrials. § 400 industrials plus 40 Utilities. 40 Financials and 20 Transports. c Closed. u Unavailable.

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Quiet trading

Sterling showed little overall change in currency markets yesterday with a typically low level of business ahead of the weekend. Dealers suggested that apart from the usual pre-weekend reluctance to take out fresh positions, sentiment was affected by the possibility of an announcement early next week by Prime Minister Margaret Thatcher on the timing of a general election. The results of Thursday's local elections had been digested and largely ignored. Sterling's trade weighted index closed at 84.7, a level held at all three of the day's calculations and down 0.2 from Thursday's figure of 84.9.

Against the dollar sterling slipped to a low of $1.5710 in early trading but persistent demand during the day led to renewed shortcovering and it touched a best level of $1.5810 before closing at $1.5775-1.5785, unchanged from Thursday's close in London. Against the D-mark it finished at DM 3.8550 up slightly from DM 3.8512½ but down to Y370.75 from Y371. It was firmer against the French and Swiss francs however at FFr 11.6150 against FFr 11.61 and SwFr 3.2425 compared with SwFr 3.2375.

The dollar traded in a very narrow range for most of the day before showing a firmer trend in the afternoon. This was short lived however and the U.S. unit closed little changed from Thursday. Against the D-mark it finished at DM 2.4415 compared with DM 2.4405 and SwFr 2.0530 from SwFr 2.0510. It was unchanged against the French franc at FFr 7.36 and a little down against the yen at Y234.75 from Y235.05. On Bank of England figures, its trade weighted index closed at 122.0 compared with 121.9.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU May 6	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.3862	45.2403	+1.97	+0.72	±1.5430
Danish Krone ...	8.04412	8.06277	+0.23	−1.02	±1.6479
German D-Mark	2.21515	2.26368	+2.19	+0.94	±1.0567
French Franc ...	6.79271	6.81704	+0.36	−0.89	±1.4018
Dutch Guilder ...	2.49587	2.54485	+1.96	+0.70	±1.4961
Irish Punt ...	0.71705	0.716623	−0.06	−1.31	±1.6696
Italian Lira	1386.78	1347.73	−2.82	−2.82	±4.1463

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

May 6	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.5710-1.5810	1.5775-1.5785	0.21-0.16c pm	1.41	0.49-0.44 pm	1.18
Canada	1.9305-1.9370	1.9350-1.9360	0.16-0.06c pm	0.68	0.39-0.29 pm	0.70
Nethlnd.	4.32-4.35½	4.33-4.34	2-1½c pm	4.84	5-4½ pm	4.38
Belgium	76.85-77.15	77.00-77.10	7c pm-3 dis	0.31	8 pm-2 dis	0.15
Denmark	13.73-13.77	13.74-13.75	½ore pm-1 dis	−0.38	4¼-5¼ dis	−1.36
Ireland	1.2180-1.2240	1.2220-1.2230	0.46-0.59p dis	−5.10	1.42-1.58dis	−4.91
W. Ger.	3.84¾-3.87¼	3.85-3.86	2-1½pf pm	5.45	5-4¾ pm	4.93
Portugal	153-156	154-155	810-1890c dis	−96.70	1215-2800dis	−51.97
Spain	215.60-216.30	215.90-216.15	190-260c dis	−12.50	565-655dis	−11.29
Italy	2,293-2,300	2,296-2,298	8-11lire dis	−4.96	34-37 dis	−6.18
Norway	11.17-11.24	11.20½-11.21½	3½-4½ore dis	−4.15	10¾-11½ dis	−3.97
France	11.58-11.64	11.67-11.62	2½-3½c dis	−3.10	12½-13½ dis	−4.48
Sweden	11.78-11.82	11.80-11.81	½-1½ore dis	−1.14	2½-3½ dis	−0.93
Japan	370-373	370¼-371¼*	1.40-1.20y pm	4.21	3.65-3.45 pm	3.83
Austria	26.90-27.21	27.13-27.18	12¼-10¾gro pm	5.22	33¼-29¼ pm	4.63
Switz.	3.23-3.25½	3.23¾-3.24¾	1⅞-1⅛c pm	6.01	4¾-4¼ pm	5.70

Belgian rate is for convertible francs. Financial franc 77.45-77.55. Six-month forward dollar 0.79-0.74c pm. 12-month 1.12-1.07c pm.

* The closing rate on May 5 should have read 370½-371½.

THE DOLLAR SPOT AND FORWARD

May 6	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.5710-1.5810	1.5775-1.5785	0.21-0.16c pm	1.41	0.49-0.44 pm	1.18
Ireland†	1.2915-1.2950	1.2925-1.2935	0.70-0.62c pm	6.12	1.90-1.80 pm	6.72
Canada	1.2245-1.2270	1.2255-1.2260	0.06-0.09c dis	−0.73	0.12-0.15dis	−0.44
Nethlnd.	2.7400-2.7485	2.7450-2.7470	0.80-0.70c pm	3.28	2.30-2.20 pm	3.28
Belgium	48.78-48.95	48.79-48.81	4-5½c dis	−1.17	12-15 dis	−1.11
Denmark	8.6960-8.7175	8.6950-8.7050	1-2ore dis	−2.08	4¼-5¼ dis	−2.29
W. Ger.	2.4385-2.4510	2.4410-2.4420	0.86-0.81pf pm	4.10	2.37-2.32 pm	3.84
Portugal	97.50-99.50	98.00-99.00	400-1200c dis	−97.46	800-1800dis	−62.79
Spain	136.70-137.05	136.85-136.95	135-175c dis	−13.58	390-440dis	−12.12
Italy	1,455-1,457½	1,455-1,456	8-9lire dis	−7.00	27-29½ dis	−7.76
Norway	7.0900-7.1150	7.0925-7.1025	2½-3½ore dis	−5.07	8½-9½ dis	−5.07
France	7.3530-7.3700	7.3575-7.3625	2¼-3¼c dis	−4.90	10½-11½ dis	−5.98
Sweden	7.4600-7.4830	7.4700-7.4800	1-2ore dis	−2.40	3.20-4.20dis	−1.97
Japan	234.50-236.20	234.70-234.80	0.57-0.52y pm	2.78	1.57-1.49 pm	2.61
Austria	17.18½-17.22¼	17.18½-17.19½	6.20-5.40gro pm	4.04	17.00-14.50pm	3.66
Switz.	2.0515-2.0580	2.0525-2.0536	0.86-0.81c pm	4.86	2.39-2.34 pm	4.81

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 49.05-49.15.

EXCHANGE CROSS RATES

May. 6	Pound St'rling	U.S. Dollar	Deutschem'k	JapaneseYen	FrenchFranc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1	1.578	3.855	370.8	11.615	3.243	4.335	2297.	1.936	77.05
U.S. Dollar	0.634	1.	2.443	234.9	7.361	2.055	2.747	1456.	1.227	48.83
Deutschmark	0.259	0.409	1.	96.17	3.013	0.841	1.125	595.8	0.502	19.99
Japanese Yen 1.000	2.697	4.256	10.40	1000.	31.33	8.746	11.69	6196.	5.220	207.8
French Franc 10	0.861	1.359	3.319	319.2	10.	2.792	3.732	1978.	1.666	66.34
Swiss Franc	0.308	0.487	1.189	114.3	3.582	1.	1.337	708.4	0.597	23.76
Dutch Guilder	0.231	0.364	0.889	85.52	2.679	0.748	1.	529.9	0.446	17.77
Italian Lira 1.000	0.435	0.687	1.678	161.4	5.057	1.412	1.887	1000.	0.843	33.54
Canadian Dollar	0.517	0.815	1.992	191.6	6.001	1.675	2.240	1187.	1.	39.81
Belgian Franc 100	1.298	2.048	5.003	481.2	15.07	4.208	5.626	2981.	2.512	100.

MONEY MARKETS

Further shortage

UK clearing bank base lending rate 10 per cent (since April 15 and 18)

Day to day credit was in short supply in the London money market yesterday. Factors affecting the market included bills maturing in official hands and a net take up of Treasury bills −£403m and Exchequer transactions −£60m. There was also an increase in the note circulation of £230m. The Bank of England forecast a shortage of around £850m, later revised to £900m. Assistance in the morning came to £865m and comprised purchases of £10m of eligible bank bills in band 1 (up to 14 days) at 10⅛ per cent and £263m in band 2 (15-33 days) at 10 per cent. In band 3 (34-63 days) it bought £14m of eligible bank bills at 9⅞ per cent and in band 4 (64-84 days) £7m at 9⅞ per cent.

The Bank also arranged sale and repurchase agreements on £571m of bills at 10-10⅛ per cent, unwinding in equal amounts on May 31, June 1 and June 2. Further help in the afternoon amounted to £50m, making a grand total of £915m. The afternoon help comprised purchases of £24m of eligible bank bills in band 1 at 10⅛ per cent and £26m in band 2 at 10 per cent.

In the interbank market weekend money opened at 10¾-10½ per cent and touched 11 per cent before falling away to 1 per cent. Period rates showed little overall change although the average discount rate at the weekly Treasury bill tender fell to 9.5351 per cent from 9.6765 per cent.

LONDON MONEY RATES

May 6 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	1-10½	10¼-10⅜	—	—	7-10¼	5-10½	—	—	—
2 days notice	—	—	10¼	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	10-10⅛	10¼	—	—	10½-10⅝	10-10½	—	—	—
One month	10⅛-10¼	10¼-10⅜	10¼	10⅛-10½	10¼	10½-10⅝	10-10⅛	10	10	10⅜
Two months	10⅛-10⅛	10⅛-10¼	10⅛	10⅛-10⅝	10¼	10½	9⅞-9⅞	9⅞-9⅞	9⅞	10½
Three months	10-9⅞	10-10⅛	10	10⅛-10¼	10⅛	10½	9⅞	9⅞-9⅞	9⅞-9⅞	10⅜
Six months	9⅞-9⅞	9⅞-10	9⅞-10	10⅛-9⅞	10⅛	—	—	—	9⅞	10⅛
Nine months	9⅞-9⅞	10-10⅛	9⅞-10	10⅛-10	10⅛	—	—	—	—	—
One year	9⅞-9⅞	10-10⅛	9⅞-10	10¼-10	10⅛	—	—	—	—	—
Two years	—	—	10⅛-10½	—	—	—	—	—	—	—

ECGD Rate Export Finance Scheme IV Average Rate for interest period April 6 to May 1983 (inclusive) 10.304 per cent.

Local authorities and finance houses seven days' notice, other seven days fixed. Long-term local authority mortgage rates nominally three years 10⅞-11 per cent; four years 11-11¼ per cent; five years 11¼-11½ per cent. ♦Bank bill rates in table are buying rates for prime paper. Buying rates for four month bank bills 9⅞-9⅞ per cent; four months trade bills 10⅛ per cent.

Approximate selling rate for one month Treasury bills 9⅞-9⅞ per cent; two months 9⅞-9⅞ per cent; three months 9⅞-9⅞ per cent. Approximate selling rate for one month bank bills 10-10 1/64 per cent; two months 9⅞-9 55/64 per cent and three months 9⅞-9 45/64 per cent; trade bills one month 10⅛ per cent; two months 10⅛ per cent and three months 10⅛ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 11 per cent from May 1, 1983. London and Scottish Clearing Bank Rates for lending 10 per cent. London Deposit Rates for sums at seven days' notice 6¾ per cent.

Treasury Bills: Average tender rates of discount 9.535.1 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held one month 10½ per cent; one-three months 10¼ per cent; three-six months 10¼ per cent; six-12 months 10¼ per cent. Under £100,000 10 per cent from April 8. Deposits held under Series 3-5 10¼ per cent. The rates for all deposits withdrawn for cash 6 per cent.

EURO-CURRENCY INTEREST RATES (Market closing rates)

May 6	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	10½-10⅝	10½-10¾	10¼-10⅜	10⅛-10¼	9⅞-10⅛	10-10⅛
U.S. Dollar	8⅝-8¾	8⅝-8⅞	8⅝-8⅞	8⅞-8⅞	8⅞-8⅞	8⅞-9⅛
Can. Dollar	10-10½	9½-10	9⅛-9⅜	9⅛-9⅜	9⅛-9⅜	9⅛-9⅜
D. Guilder	5½-5⅝	5⅜-5½	5⅛-5⅜	5⅛-5⅜	5⅛-5⅜	6-6⅛
S. Franc	3-3¼	3-3¼	4¼-4⅜	4⅛-4⅜	4⅛-5⅛	4⅛-4⅞
Deutschm'rk	4⅜-4½	4⅜-4⅝	4⅞-4⅞	4⅞-5⅛	5⅛-5⅜	5⅜-5⅝
Fr'nch Franc	12⅞-12¾	12¾-13	13⅛-13¾	14⅛-15⅛	16⅛-17⅛	17⅜-18⅛
Italian Lira	14-15½	14½-16	15⅛-16	16-16⅛	17-17⅜	17⅝-18⅛
Belg. Franc..						
Conv.	8½-9⅛	9⅛-9⅞	9⅞-10⅛	9⅞-10⅛	10-10½	10⅛-10⅞
Fin.	9½-10	9⅜-10	9⅞-10⅛	9⅞-10⅛	10⅛-10¼	10⅛-10⅛
Yen	6-6⅛	6-6⅛	6⅛-6⅜	6⅛-6⅜	6-6⅛	6⅜-6⅝
D. Krone	12-12⅜	10⅞-10⅞	10⅞-10⅞	11⅛-11⅜	11½-11⅞	11⅞-12⅛
Asia $ (Sing.)	8⅝-8⅞	8⅝-8⅞	8⅝-8⅞	8⅝-8⅞	8⅝-8⅞	9-9⅛

OTHER CURRENCIES

May 6	£	$		£ Note Rates
Argentina Peso	119,072-119,272	75,640-75,690	Austria	27.05-27.35
Australia Dollar	1.8090-1.8110	1.1470-1.1475	Belgium	76.80-77.55
Brazil Cruzeiro	728.0-731.0	462.00-464.51	Denmark	13.67-13.80
Finland Markka	8.5395-8.5550	5.4100-5.4140	France	11.54-11.64
Greek Drachma	130.356-133.664	85.65-85.90	Germany	3.83½-3.87¼
Hong Kong Dollar	10.86½-10.88	6.8880-6.8950	Italy	2280-2300
Iran Rial	154.40*	84.90*	Japan	369-374
Kuwait Dinar (KD)	0.4590-0.4605	0.2908-0.2910	Netherlands	4.30½-4.34½
Luxembourg Fr.	77.00-77.10	48.10-48.12	Norway	11.15-11.25
Malaysia Dollar	3.6250-3.6300	2.2990-2.3010	Portugal	150-170
New Zealand Dlr.	2.3765-2.3815	1.5070-1.5095	Spain	204½-220½
Saudi Arab. Riyal	5.4456-5.4570	3.4490-3.4515	Sweden	11.75-11.85
Singapore Dollar	3.2950-3.3000	2.0885-2.0905	Switzerland	3.21½-3.24½
Sth. African Rand	1.7130-1.7140	1.0855-1.0860	United States	1.56½-1.58½
U.A.E. Dirham	5.7970-5.8080	3.6715-3.6735	Yugoslavia	123-141

* Selling rates.

FT LONDON INTERBANK FIXING

(11.00 a.m. MAY 6)

3 month U.S. dollars		6 months U.S. dollars	
bid 8 3/4	offer 8 7/8	bid 8 15/16	offer 9 1/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1983 High	1983 Low
METALS					
Aluminium	£880	—	£810/815	£880	£810/815
Free Markets c.i.f.	$1370/1400	—	$985/1015	$1390/1420	$995/1025
Antimony					
Free Market 99.6%	$1970/2040	—	$2550/400	$2040/2160	$1750/850
Copper Cash High Grade	£1113	−7.25	£871	£1126.5	£932.75
3 months Do. Do.	£1137.75	−1.75	£899.75	£1159.25	£958.25
Cash Cathodes	£1079	−9	£866.25	£1102	£894.25
3 months Do.	£1107.5	−5	£895.25	£1133.5	£922.75
Gold per oz	$432	−2.5	$334.25	$508.5	$409.25
Lead Cash	£277.5	−11.5	£319.75	£316	£268
3 months	£287.5	−11.75	£332.75	£328.125	£278.25
Nickel	£4526.5	−306.5	£3974	£4833	£4384
Free Markets c.i.f. lb.	205/230c	−10	239/269c	£235/265c	£162/192c
Palladium per oz	$138.25	+5.75			
Platinum per oz	£277.05	+9.40	£172.30	£318.95	£244.60
Quicksilver (76 lbs)	$285/295	−20	$370/380	$345/355	$280/300
Silver per oz	785.95p	+19.70	375.50p	948.65p	680.30p
3 months per oz	804.65p	+20.10	387.30p	973.10p	697.55p
Tin cash	£8652.5	−165	£7,067.5	£9,290.5	£7392.5
3 months	£8652.5	−130	£7,222.5	£9,281	£7402.5
Tungsten Ind	$83.88	+0.66	$106.98	$92.25	$77.97
Wolfram (22.04 lb.)	$89/91	—	$105/110	$90/92	$78/82
Zinc cash	£463.75	+8	£419.25	£479.5	£423.5
3 months	£475.75	+5	£424.75	£496.25	£436.25
Producers	$750	—	$860/900	$800	$750
GRAINS					
Barley Futures	£110.70y	−0.5	£104.65	£121.95	£110.50
Maize French	£146.00	−1	£137.00	£151.00	£143.50
WHEAT Futures	£135.90u	+0.2	£125.40	£139.85	£120.80
Hard Winter Wheat	‡	—	‡	‡	‡
SPICES					
Cloves (g)	£6,350x	—	£6,600	£6,900	£5,000
Pepper, white	$1,700x	—	$1,800	$1,900	$1,700
" black	$1,200x	—	$1,300	$1,425	$1,200
OILS					
Coconut (Philippines)	$635x	+20	‡	$635	$430
Groundnut 5%	$522.5x	—	$675	$530	$435
Linseed, Crude	£318	—	‡	£332	£308
Palm Malayan	$445v	+2.5	$510	$445	$365
SEEDS					
Copra (Philippines)	$420x	+10	$330	$420	$295
Soyabeans (U.S.)	$259.5	−1.5	$272.75	$265	$238.5
OTHER COMMODITIES					
Cocoa Shipments §	£1,348	−30	£1,004	£1,404	£1,127
Cocoa Futures July	£1307.5	−20	£983.5	£1,366.5	£1,108
Coffee Futures July	£1653	−32.5	£1,136.5	£1,940.5	£1,558
Cotton Index	80.25c	−0.35	76.55c	80.65c	70.35c
Des. Coconut	£710	−30	£500	£740	£510
Gas Oil Fut. June	$259.25	−3	$287.5	$277.5	$220
Jute LJA BWC grade	‡	—	£269	£240	£240
Rubber kilo	72.25p	−2.75	54p	80.5p	50p
Sago Pearl	£265x	−5	£245	£270	£242
Sisal No. SL	$645	—	$640/650	$655	$620/630
Sugar (Raw)	£129x	+7	£119	£130	£95
Tapioca No. 1	£280x	+10	£240	£290	£255
Tea (quality) kilo	145p	−1	122p	155p	144p
(low med.) kilo	120p	−1	78p	125p	119p
Wooltops, 64s Warp.	394p kilo	—	401p kilo	409p kilo	372p kilo

‡ Unquoted. (g) Madagascar. (u) July. (v) June. (y) Sept. (x) May-June. § Ghana close.

REVIEW OF THE WEEK

Weather fears bring potato price surge

BY OUR COMMODITIES STAFF

The potato futures market was the unlikely star of the London soft commodities scene this week. *With continuing* heavy rain causing deepeing concern about the likely size of the next European crop forward values surged higher. The April, 1984 position finished at a peak of £124.50 a tonne, up £30.50 on the week while market turnover, *which was over* 1,000 lots (40 tonnes each) every day, reached a record level of 1,668 lots yesterday *(Friday)*.

The forward positions were lifted sharply on Tuesday as speculators flocked to buy after the long, wet weekend. But *later in the week buying interst* was reported from the trade as well.

The wet European weather was also a factor in the rise on world sugar market. Concern over delays to beet plantings coupled with reports of further Soviet buying were largely responsible for a rise which lifted the London daily raws *price (LDP) to* a 10-month high of £130a tonne on Wednesday. The LDP finished the week *£7 up at £129 a tonne.*

At Wednesday's EEC export tender allotments reached the highest level for many weeks at 65,000 tonnes. Virtually all of this was from the supplementary tender for July-September delivery, which opened this week. But dealers said the news had little market impact.

Other markets were relatively quiet with July coffee futures slipping £32.50 to £1,653 a tonne and July cocoa losing £19 to £1,307.50 a tonne. Cocoa values *were lifted briefly by a report* that Ghana's cocoa plantations damage in bush fires earlier this *had suffered a 35-40 per cent* year. But most traders thought the damage estimate was seriously exaggerated.

In the metal markets, the rise in copper prices was halted as Chinese buying interest dried up. There is considerable nervousness that the Chinese may be tempted to sell back some of the copper they have bought, *for delivery in three* months, and take a profit, as happened last year. Several U.S. producers announced yesterday they were cutting their selling prices back again after the recent increases. But the mood of the market was buoyed up by the healthy rise in U.S. car sales during April.

Lead prices fell sharply on Tuesday, following some heavy selling by speculators discouraged by the poor demand prospects and a further steep rise in warehouse stocks to record levels. However, the market subsequently staged a minor *recovery, in spite of U.S. pro*ducers deciding to cut their domestic selling prices. Cash lead ended the week £11.5 down at £277.5 a tonne.

In contrast zinc values gained ground this week. The cash price closed £8 up at £463.75 a tonne. There were persistent rumours that the European producer quotation will shortly *be raised from its present level* of $475 a tonne, following recent U.S. price increases and a reported tightening of available supplies.

BASE METALS

COPPER

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,10.50, three months £1,135.50 35. Cathodes: Cash £1,077, three months £1,105. Kerb: Higher Grade: Three months £1,135.50, 36, 37. Afternoon: Higher Grade: Three months £1,137, 37.50, 38, 37.50. Cathodes: *Three* months £1,107. Kerb: Higher Grade: Three months £1,138, 38.50, 39. Turnover: 23,900 tonnes.

[illegible]

NICKEL

[illegible]

TIN

[illegible]

LEAD

[illegible]

ZINC

[illegible]

ALUMINIUM

[illegible]

Aluminium: months £896, 96.50, 97, 96.50, 96. Turnover: 7,225 tonnes.

Aluminium	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	869-70	+2.75	870.5-1	+7.25
3 months	894-5	+1.25	895.5-6	+.65

SILVER

[illegible]

COCOA

[illegible]

COFFEE

[illegible]

COTTON

[illegible]

... tain specialist Middle Eastern growths were in demand, the bulk of the offtake was in routine North American styles.

GRAINS

Business done—Wheat: May 135.60-5.15, July 136.20-5.90, Sept 117.50-7.45, Nov 120.05-20.00, Jan 123.20 only, *March 126.15-6.10. Sales: 63 lots* of 100 tonnes. Barley: Nov 114.05-4.00, rest untraded.

Mnth.	WHEAT Yesterd'ys close	+ or —	BARLEY Yest'd'ys close	+ or —
May	135.30	−0.50	119.35	+0.05
July	135.90	−0.50	—	—
Sep.	117.45	−0.15	110.70	−0.15
Nov	119.95	−0.25	113.95	−0.15
Jan	123.05	−0.38	117.35	−0.15
May	126.05	−0.20	120.10	−0.15

Sales: 19 lots of 100 tonnes.

HGCA — Locational ex-farm spot prices. Other milling wheat: Eastern 136.10. *Feed barley:* E. Mids 121.80, N. East 122.40, Scotland 121.50. The UK monetary coefficient for the week beginning Monday, May 9, is expected to change to *0.950.*

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No 1 14 per cent June 129, July 128, Aug 125.25, Sept 126 trans shipment West Coast sellers. English feed fob Sept 121, Oct/Dec 124.50, Jan/March 129 East Coast sellers. Maize: French May 146 transhipment East Coast seller. Barley: English feed fob Aug English 112.50, Sept English 114.50 and Scottish *113.25, Oct/Dec English/Scottish* 118.25, Oct Scottish 116.25 sellers. Rest unquoted.

POTATOES

Further rain caused a very strong opening on new crops. April traded to £15 up but eased on weekend profit-taking. Tone was steady at the close and the volume was a new *market record. Spot May continued to* rise on technical short-covering, reports Coley and Harper.

[illegible]

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

INDICES

FINANCIAL TIMES

May. 5	May. 4	M'th ago	Y'ar ago
270.56	271.16	273.48	243.61

(Base: July 1 1952=100)

REUTERS

May 6	May. 5	M'th ago	Y'ar ago
1774.6	1773.3	1764.0	1588.2

(Base: September 18 1931=100)

MOODY'S

May. 5	May 4	M'th ago	Y'ar ago
1047.3	1046.0	1043.2	1005.5

(December 31 1931=100)

DOW JONES

Dow Jones	May 5	May 4	Month ago	Year Ago
Spot	142.57	142.60	139.05	125.28
Fut'rs	147.75	148.01	144.25	129.15

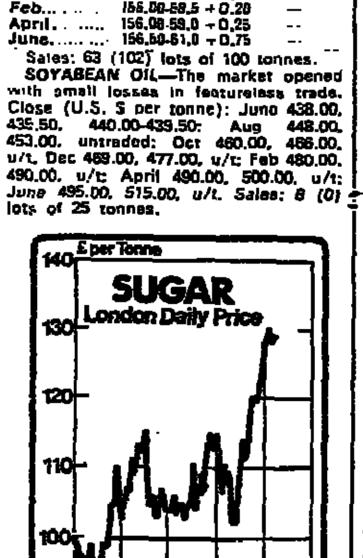
(Base: December 31 1974=100)

Prices steadied, helped by heavy nearby cash demand and closed on the highs.

	Yesterdy's close	+ or —	Business Done
	£ per tonne		
June	141.70-41.5	+0.70	141.50-40.40
August	142.00-42.5	−0.15	142.50-42.50
October	146.60-47.0	+0.10	146.70-46.50
Dec.	152.00-53.5	+0.25	—
Feb.	155.00-58.5	+0.20	—
April	156.00-59.0	+0.25	—
June	156.50-61.0	+0.75	—

Sales: 63 (102) lots of 100 tonnes.

SOYABEAN OIL—The market opened with small losses in featureless trade. Close (U.S. $ per tonne): June 438.00, 435.50, 440.00-439.50; Aug 448.00, 453.00, untraded; Oct 460.00, 466.00, u/t, Dec 469.00, 477.00, u/t; Feb 480.00, 490.00, u/t; April 490.00, 500.00, u/t; *June 495.00, 515.00, u/t. Sales: 8 (0)* lots of 25 tonnes.



SUGAR

LONDON DAILY SUGAR—Raw sugar £129.00 (£128.000) a tonne cif May-June shipment. White sugar £150.00 (same).

[illegible]

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.80-28.90	—
Iranian Light	28.00	+0.05
Arabian Heavy	26.15-26.20	−0.05
North Sea (Forties)	29.55-29.60	−0.15
North Sea (Brent)	29.55	−0.22
African (Bonny L'ht)	29.80-29.90	—
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	305-310	−2.0
Gas oil	240-244	−0.5
Heavy fuel oil	166-167	—

GAS OIL FUTURES

The market opened unchanged and traded quietly through the morning. End-of-week short-covering boosted prices, with the highs being reached soon after the U.S. opening, but they *dipped again on trade selling, reports* Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
May	241.50	—	242.75-41.25
June	239.25	+1.50	240.00-37.00
July	237.25	+1.50	238.25-35.25
Aug	238.50	+1.00	238.50-37.25
Sept	240.75	+1.50	241.50-39.00
Oct	243.50	+1.50	243.50-41.50
Nov	246.00	+0.75	246.00-44.25
Dec	249.00	+0.75	249.00-48.00
Jan	250.50	−2.00	—

Turnover: 2,197 (2,784) lots of 100 tonnes.

GOLD MARKETS

Gold fell $2½ an ounce from Thursday's close in the London bullion market yesterday to finish at $431½-432½. The metal opened at $430¾-431¾ and traded between a high of $431½-432½ and a low of $430½-431½. Trading tended to be rather quiet and featureless ahead of the weekend.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
May	431.00-32.0	−3.250	—
June	434.10-34.3	−3.000	434.50-33.5
July	437.50-38.0	−2.900	—
August	440.60-40.9	−3.100	440.20-40.0
Sept	443.70-44.5	−3.400	—
Oct	447.20-48.0	−2.850	—
Nov	450.00-51.5	−3.500	—

Turnover: 214 (356) lots of 100 tonnes.

	May 6		May 5	
Gold Bullion (fine ounce)				
Close	$431½-433	(£273½-274¼)	$434-435	(£274¾-275½)
Opening	$430¾-436	(£272¾-271½)	$435½-436½	(£276¼-277)
Morning fixing	$431.50	(£273.847)	$435	(£276.630)
Afternoon fixing	$431.75	(£273.202)	$433.75	(£274.664)

Gold Coins May 5					
Krugrnd	$444½-445½	(£281¾-282¼)	King Sov	$104½-106	(£66¼-67¼)
½ Krg	$229-230	(£146¼-145¾)	Victoria Sov	$104½-106	(£66¼-67¼)
¼ Krg	$115¾-117¼	(£73¼-74½)	French 20s	$88¾-90½	(£56¼-57¼)
1/10 Krug	$47½-48½	(£30-30¾)	50 pesos Mex	$534-536	(£338¾-339¾)
Mapleleaf	$443½-444½	(£281-281¾)	100 Cor. Aust	$421-425	(£266¾-269½)
New Sov	$101¼-102	(£64¼-64¾)	$20 Eagles	$560-570	(£354¾-361½)
½ New Sov	$60-62	(£38-39¼)			

AMERICAN MARKETS

NEW YORK, May 6

Gold and silver rallied after early weakness on Syrian criticism of the U.S. proposal for the withdrawal of the troops from Lebanon. Copper rallied in sympathy with strength to precious metals with commission house buying and local short-covering. Heating oil was generally firmer on profit-taking ahead of the weekend with resistance being provided by the uncertain direction of crude oil prices. Cocoa was firm in response to strength of sterling and continued concern over the new crop. Good commission house buying in sugar rallied values as concern over European plantings offset higher estimates for the 1982-1983 surplus. Cotton was higher on commission house buying in response to reports USDA would announce soon the plan to acquire cotton for the payment-in-kind programme. The grain and soyabean complex consolidated in a narrow range ahead of a private forecasters report of winter wheat, maize and soyabean acreage, reported Heinold Commodities Ltd.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Close	High	Low	Prev
May	1866	1870	1860	1860
July	1886	1913	1887	1886
Sept	1910	1937	1908	1910
Dec	1040	1959	1935	1936
March	1963	1979	1970	1957
May	1984	—	—	1978
July	2009	—	—	2003

SUGAR WORLD "11" 112,000 lb. cents/lb

	Close	High	Low	Prev
July	8.81	8.82	8.57	[illegible]
Sept	9.11	9.11	8.87	8.38
Oct	9.38	9.39	9.12	9.07
March	10.22	10.23	9.98	9.99
May	10.51	10.51	10.26	10.24
July	10.75	10.75	10.60	10.50
Sept	11.10	10.90	10.80	10.75
Oct	11.10	11.10	10.97	10.88

COPPER 25,000 lb. cents/lb

[illegible]

COFFEE "C" 37,000 lbs. cents/lbs

[illegible]

COTTON 50,000 lb. cents/lb

[illegible]

GOLD 100 troy oz. $/troy oz

[illegible]

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

[illegible]

ORANGE JUICE 15,000 lb. cents/lb

[illegible]

PLATINUM 50 troy oz. $/troy oz

[illegible]

SILVER 5,000 troy oz. cents/troy oz

[illegible]

CHICAGO

LIVE CATTLE 40,000 lb. cents/lb

[illegible]

LIVE HOGS 30,000 lb. cents/lb

[illegible]

MAIZE 5,000 bu min. cents/56lb bushel

[illegible]

PORK BELLIES 38,000 lb. cents/lb

[illegible]

SOYABEANS 5,000 bu min. cents/60lb bushel

[illegible]

SOYABEAN MEAL 100 tons, $/ton

[illegible]

SOYABEAN OIL 60,000 lb. cents/lb

[illegible]

WHEAT 5,000 bu min. cents/60lb bushel

[illegible]

[illegible]

WOOL FUTURES

[illegible]

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system; they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the four previous days is given with the relevant date.

‡ Bargains at special prices. ● Bargains done the previous day. △ Bargains done with non-member or executed in overseas markets.

CORPORATION AND COUNTY

UK PUBLIC BOARDS

COMMONWEALTH GOVT.

FOREIGN STOCKS

(coupons payable London)

CORPORATIONS—FOREIGN

BANKS, DISCOUNT

BREWERIES

COMMERCIAL, INDUSTRL.

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

T—U—V

W—Y—Z

INSURANCE

INVESTMENT TRUSTS

FINANCIAL TRUSTS

PROPERTY

PLANTATIONS

MINES—MISCELLANEOUS

MINES—SOUTH AFRICAN

OIL

RAILWAYS

SHIPPING

UTILITIES

WATER WORKS

UNLISTED SECURITIES MARKET

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

(By permission of the Stock Exchange Council)

FT UNIT TRUST INFORMATION SERVICE

Authorised Units—continued

Insurances—continued

Offshore and Overseas—continued

Northern Goldsmiths mounts recovery

Pre-tax profits of £210,061 were achieved in the second half by Northern Goldsmiths, retail jeweller, bookmaking services and finance concern, and left the group £60,761 in the black, as forecast, for the year ended February 28 1983. For the previous year second half profits of £153,000 lifted the surplus to £197,896 pre-tax.

The directors said in March that profits would be in the region of £60,000 based on the assumption that major debts amounting to £51,000 would be collected.

There is no final dividend leaving the 0.85p net interim as the total—last year's total was 3.51p.

The directors explain that although, after a tax credit and despite extraordinary debits, there is a £140,037 profit for appropriation for the 1982-83 year they feel that the tax credit, of £141,076, does not generate cash and that it would be imprudent to distribute funds required for expansion.

If, however, the current level of trading continues, they hope to increase the next dividend to compensate.

Group turnover amounted to £16.65m, against £16.18m, and the pre-tax figure was after interest of £71,962 (£57,623).

A divisional split of turnover and pre-tax profits shows: retail jewellery £4.32m (£4.16m) and £33,081 (£63,701); bookmaking and finance £12.33m (£12.02m) and £27,680 (£134,195).

After the year's tax credit—there was a £19,278 charge last time—minority interests of £2,041 for 1981-82, and the extraordinary debit of £61,800 (nil), the available balance came out at £140,037 which was lower than last year's £176,577.

Dividends will absorb £29,357 (£121,225) leaving £110,680 (£55,352) retained, and earnings per share are shown as 5.84p (5.11p).

In his first statement as chairman of the company, Mr Anthony Gover, insurance company, which with Mr H. J. Gover holds 35 per cent of Northern Goldsmiths, says that the strategy of the company is to accelerate the expansion of both trading divisions and to acquire small- to medium-sized companies in the leisure and service industries.

"Consistent with this, we have already agreed to purchase one old-established jewellery business in Brighton."

0.25p payout from Tern Consulate

A dividend is being paid by TERN - CONSULATE, shirt, tie and knitwear maker, for 1982. After missing the interim the directors have decided to pay a final of 0.25p net per share, which compares with a total of 2.5p for last year.

Profits have taken a tumble. In the second half the group made £18,000 for a total of £32,000 for the year, compared with £281,000 previously.

Bank and loan interest took £213,000 (£276,000) and this year there is an exceptional debit of £145,000, being an increase in interest charges arising as a direct result of an export customer taking extended credit on goods invoiced in 1981.

The directors report that UK sales increased marginally during 1982 but the record level of export turnover was not maintained. Overall, turnover fell

After an extraordinary debit of £79,000 (£31,000) there is a loss attributable of £47,000 (£250,000 profit). Earnings are stated to be 0.84p (11.49p) per share.

Parker & Farr

Receivers have been appointed at Nottingham-based upholstery manufacturer, Paker & Farr. The company employs 50 people and had a turnover of more than £1m last year. The order book is described as "good."

The company, founded in 1960, makes prestige upholstered furniture for retailers including Harrods and Waring and Gillow.

The receivers are continuing to trade for the time being while a buyer is sought for the business as a going concern. The receivers are Mr R. Turton and

INTERNATIONAL COMPANIES and FINANCE

Saudi group buys 11% of Mauser Waldeck

By John Davies in Frankfurt

A SAUDI ARABIAN investment group has bought a minority stake in a West German company specialising in the manufacture and sale of office furniture and security installations.

The Saudi group, Dallah, has acquired 11 per cent of the shares in Mauser Waldeck, based near Kassel. Dallah already has a major investment in another West German concern—a stake of about 20 per cent in IBH, the construction equipment group.

Mauser Waldeck, which is about 25 per cent owned by the Mauser family, had sales of DM 87m ($35.6m) in the year ended last September, about 7 per cent down on the previous year. It incurred a loss of DM 2m and omitted a dividend.

The company said yesterday the initiative for the Saudi stake came from Dallah's representative, Herr Kurt Fiebich. It was in full agreement with the move, however, and saw the prospect of increasing its export orders in the Middle East.

Mauser Waldeck could not confirm a report that the Saudi group was interested in lifting its stake further.

Since the beginning of the year, Mauser Waldeck's shares have risen from a low of about DM 94 to a peak of about DM 155, falling back lately to around DM 133.

Visa volume ahead

Visa International increased its worldwide card volume by 20 per cent to $59.4bn in 1982 from $49.6bn in 1981. In the fourth quarter, worldwide volume totalled $17bn, up from $14.2bn in the last quarter of 1981, reports Reuter from San Francisco.

Socal considers sale of major European assets

BY RICHARD JOHNS

THE Kuwait Petroleum Corporation is understood to be keenly interested in the purchase of the European refining and marketing assets of Standard Oil of California.

The U.S. major yesterday confirmed for the first time that it was considering selling, either as a package or in separate parts, its "downstream" operations in the UK, West Germany, Italy, the Netherlands, Belgium, Luxembourg and Denmark.

Mr J. R. Smits, president of Chevron Oil Europe, a regional affiliate of Socal, stressed yesterday that the company was exploring and "evaluating every opportunity" rather than conducting negotiations with potential buyers, and that no decision had yet been taken.

According to informed executives of one of its rivals, however, talks between Socal and the state-owned KPC are well advanced.

Mr Smits said Socal had been reassessing its position in Europe for a year and a half. Employees had been told recently that the review could either involve a restructuring of marketing and refining operations or a sale to "responsible third parties" of either all or part of them, he acknowledged.

Total revenues from the assets involved are running at an annual rate of about $4.5bn. Mr Smits declined to say if they were loss-making but commented that "we can't do this because we are making a killing".

Chevron Europe calculates its market shares for refined products as 1.7 per cent in the UK, 2 per cent in West Germany, 3.3 per cent in Italy, 10.5 per cent in the Netherlands, 15 per cent in Belgium and Luxembourg and 6 per cent in Denmark.

Altogether it has nearly 5,000 retail outlets including 200 in the UK, where most of the outlets are company owned. Of a total 3,000 employees in downstream operations, about 200 are on the payroll in Britain.

Since late last summer Chevron's share of West Europe's under-utilised refinery capacity has been cut to a little more than 260,000 barrels a day, accounted for by its stake in facilities at Rotterdam, Trecate, near Milan, and Rome. Last year is closed a 80,000 b/d refinery near Frankfurt jointly owned with Texaco and another with a maximum throughput of 140,000 b/d near Brussels.

Earlier this year KPC concluded negotiations on the purchase of Gulf's refining and marketing operations in Belgium, the Netherlands, Luxembourg, Sweden and Denmark. But it is known to want to establish a bigger distribution network to ensure an outlet for Kuwait's domestic production of crude oil amounting to 1m b/d.

Mannesmann to maintain payout after steady year

BY OUR FRANKFURT STAFF

MANNESMANN, THE West German engineering concern, is maintaining its dividend after a generally steady performance last year.

The dividend is to remain at DM 8 per share, the level to which it was lifted in 1981.

The group's worldwide sales rose by 7 per cent last year to DM 16.5bn ($6.76bn), although this was largely because of the first time inclusion of Kienzle, its computer and electronics subsidiary. Net profits rose by 2.9 per cent to DM 280m.

Mannesmann also announced yesterday an offer to buy out—or give a dividend guarantee to—minority shareholders in Hartmann and Braun, the measuring and control equipment company.

It acquired about 83 per cent of H and B in 1981 from AEG-Telefunken. H and B shares were suspended on the Frankfurt stock exchange on Thursday, pending yesterday's announcement.

Mannesmann will seek formal approval at its shareholders' meeting on June 29 to guarantee H and B shareholders the same dividend as the parent company.

Elders plans bid for Westwools

By Our Financial Staff

ELDERS IXL, the diversified Australian group, plans to bid for Westwools Holdings. The offer values the company at A$15.7m (U.S.$13.7m).

Elders has acquired just under a fifth of Westwools, and proposes to offer for the rest of the shares at a similar price, A$1.5 each. Westwools has welcomed the proposals.

Westwools said yesterday that it was trading profitably in all divisions with the exception of pastoral. This operation is currently being rationalised.

Murdoch to launch U.S. satellite TV service

By Paul Taylor in New York

MR RUPERT MURDOCH, the Australian publisher who owns newspapers in Australia, the U.S., and the UK, plans to launch five direct broadcast television channels using leased satellite space later this year in the U.S.

Satellite Business Systems, a joint venture between International Business Machines, Communications Satellite and Aetna Life and Casualty, announced yesterday that it has signed a $75m six-year contract to lease five satellite transponders on board its SBS-3 satellite to UK-based News Television Satellite (NSTL), a company owned by Mr Murdoch's News America Publishing.

NSTL has formed a joint venture with Inter-American Satellite Television, a Los Angeles-based company which will operate the system. Financing will be provided primarily by Mr Murdoch.

The transponders will be used by Inter-American to relay television programming to subscribers primarily in rural areas of the U.S. It will provide five channels including a premium film channel, sports and other programmes not available on commercial broadcasting networks.

Subscribers, who will pay monthly fees similar to those paid by cable television viewers, will receive the programmes beamed directly from the satellite through rooftop dish antennas.

Eight companies have already received Federal Communications Commission approval to offer satellite-to-home television but only one other, United Satellite Television, a joint venture including General Instrument, has suggested readiness to begin transmission this year.

CFP in red despite second-half surplus

BY DAVID HOUSEGO IN PARIS

A CLIMB back into profit in the second half of 1982 by Compagnie Francaise des Petroles, the Total group, failed to prevent the country's leading oil concern from plunging into deficit over the year.

Net consolidated losses amounted to FFr 1.07bn ($145m) after a profit of FFr 870m in 1981 and of FFr 5bn in 1980. However, the group made FFr 800m profits in the second half after a FFr 1.87bn loss in the first six months.

By contrast, Elf Aquitaine, the second largest of the French oil groups, showed a FFr 3.5bn profit over the year on revised figures. This was FFr 1.5bn more than the figure announced in January because of a repayment by Iran which enabled Elf to reintegrate FFr 1.6bn of provisions into its accounts.

Total said that its improved second half performance was largely the result of the rise in administered domestic petrol prices and relative exchange rate stability. Exchange rate losses of FFr 352m at the end of June were reduced by the end of the year to FFr 263m.

The Total group blamed its losses mainly on the heavy deficit run up by its refining and distribution units, particularly in France. Its refining subsidiary, Compagnie Francaise de Raffinage, announced losses for 1982 of FFr 1.827bn after provisions and depreciation.

Group turnover rose by 7 per cent to FFr 131.7bn. The group said this reflected the strength of the dollar. Oil volumes and sale prices expressed in dollar terms actually fell.

Cash flow at FFr 6.42bn was close to last year's level. Investments, of which the bulk were in exploration and oil and gas development, rose to FFr 11.4bn from FFr 8.5bn.

France sponsors support package for Le Nickel

BY DAVID MARSH IN PARIS

SOCIETE LE NICKEL, the ailing New Caledonian nickel mining company, is expected to benefit soon from a government-sponsored support package totalling more than FFr 1.4bn ($190m) to restore its fortunes after losses of more than FFr 850m last year.

The rescue plan, involving a re-organisation of state shareholdings in the group, a large capital increase and a debt rescheduling agreement with the banks, has been under negotiation for several months. Announcement of an accord is expected shortly, possibly within the next few days, according to officials in Paris.

Under the Government's plan, the state energy and mining holding company, Erap, is to take a 70 per cent stake in Le Nickel and put up fresh funds of FFr 350m.

The two existing shareholders, the state-controlled oil group, Elf Aquitaine and the mineral holding company, Imetal, which own 50 per cent each, will reduce their stakes to 15 per cent. Each will put up FFr 200m by injecting capital or taking over Le Nickel debts.

Additionally, talks are going on with a banking consortium led by Banque Nationale de Paris and Europeenne de Banque (the former Rothschild bank) on a plan to lengthen the maturity of FFr 700m of Le Nickel's FFr 2.5bn debts.

External audits urged for Spanish banks

By David White in Madrid

THE BANK of Spain has made recommendations to all major banks to have full external audits undertaken by accounting firms of recognised repute. Banks, however, are under no obligation to do so, banking officials said here.

They denied that the central bank had put any specific pressure on Banco de Santander, the family-controlled bank which ranks number six in Spain by the size of deposits. Both Santander and Banco Espanol de Credito (Banesto), the number one bank, have ordered their first full external audits this year.

Santander and the banking authorities have been at pains to counteract the effect of what is claimed to have been a deliberate rumour campaign against the bank a few weeks ago, particularly concerning its Latin American exposure.

Final figures for last year are expected to show a total of $300m of outstanding Latin American risks at the Santander parent bank, or just over 5 per cent of assets.

Brazil offer for U.S. bank fails

By Andrew Whitley in Rio de Janeiro

SR MARIO GARNERO, a prominent Brazilian businessman with close U.S. business and political ties, has failed in a bid to become the first Brazilian to own a U.S. bank.

Brasilinvest, his investment bank, has announced the withdrawal of its $5m bid to purchase a controlling interest in the First Women's Bank of New York. With the offer deadline passed, its Bahamas-based subsidiary, Brasilinvest Overseas Bank, had secured only 49 per cent of the shares in the bank.

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INSURANCES

[illegible]

Companies and Markets

LONDON STOCK EXCHANGE

MARKET REPORT

End-account influences and election uncertainty make for a drab trading session in markets

Account Dealing Dates

Options

*First Dealings	Declarations	Last Dealings	Account Day
Apr 25	May 5	May 6	May 16
May 9	May 19	May 20	May 31
May 23	Jun 2	Jun 3	Jun 13

* "New-time" dealings may take place from 9.30 am two business days earlier.

Uncertainty was again the major factor behind another drab performance on London stock markets yesterday. The results of Thursday's local council elections, regarded as inconclusive, left the timing of a general election still open to speculation and served to keep genuine investment interest at an extremely low level.

Year-end book squaring by two stockjobbing firms along with end-Account influences also curtailed activity. Wall Street's overnight improvement imparted a firmer tone in leading domestic equities at the outset, but lack of follow-through support and scattered offerings soon saw quotations drifting lower.

Up 2.2 at the first calculation, the Financial Times Industrial Ordinary share index reacted to show a loss of 0.1 an hour later. This was extended to a fall of 2.6 at 3 pm, but a small late technical improvement left the index only 0.6 down on balance at 694.4.

Glaxo, up 40 at 895p, after 935p, following marketing approval for the company's Zantac drug in the U.S., provided one of the scattered firm spots in the leaders.

Secondary issues passed a relatively quiet trading session, but the bid front was enlivened by **Extel's** agreed counter-offer for **Benn Bros**. Some evident unwinding of positions in recent speculative favourites was noticeable and resulted in occasional above-average falls.

Hopes that good U.S. money supply figures might bring an early reduction in the Federal Reserve discount rate failed to inspire the Gilt-edged market. As with the equity sectors, trading conditions were quiet with quotations drifting lower in the course of routine trading. Losses ranged to 3/16 in the shorts and to ½ in the longs. The new £40-paid index-linked Treasury 2½ per cent Convertible 1999, made a quiet debut at 40½. Other index-linked issues eased afresh and closed with losses extending to ½.

Hambros dull

Hambros became a dull feature in merchant banks, falling 10 to 105p on a Press suggestion that the group is included in a consortium which is in the process of formulating a bid for House of Fraser. **Leopold Joseph**, on the *other hand, firmed 5 more to* 215p on further consideration of the increased stake in the company taken by British and Commonwealth Shipping. Discount Houses gave ground throughout. **Gerrard and National**, which announced bumper profits and a proposed 100 per cent scrip-issue on Wednesday, eased 5 to 390p, while **Union** relinquished 10 to 540p. Elsewhere, **Royal Bank of Scotland**, at 125p, hardened a penny after the previous day's fall of *13 which followed the disappointing* interim figures.

Minet fell 6 to 127p, after 125p, on reports that Lloyds of London may bar St Paul Companies of the U.S. increasing its stake in the company to 30 per cent; it was announced yesterday that St Paul's shareholding currently stands at nearly 26 per cent. Elsewhere, Composites hardened in places; **Commercial Union** edged forward a couple of pence to 154p ahead of Tuesday's first-quarter figures.

Breweries continued to drift lower as dealers attempted to establish a realistic trading level. **Grand Metropolitan** gave up 6 to record a fall on the week of 19 at 328p. Falls of 6 and 4 respectively were recorded in **Bass**, 307p, and **Allied-Lyons**, 142p, but **Scottish and Newcastle** continued to buck the trend reflecting persisting hopes of a bid from the U.S. and hardened a couple of pence for a gain on the week of 6 at 94½p.

Technical factors inhibited business in Buildings and the leaders made another drab showing, but some steadied in the late dealings to close a shade above the worst. **Blue Circle** ended a couple of pence off at 468p, after 465p, while **BPB Industries**, down to 535p at one stage, picked up to close 12 down on balance at 538p. **Tarmac** softened 4 to 416p and **Redland** 3 to 236p, but late interest left **RMC** 3 dearer on balance at 370p, after 366p. **Barratt Developments** remained a depressed market and, with sentiment not helped by talk that profits had been downgraded, shed 8 for a fall on the week of 28 to 462p. **George Wimpey** gave up 4 to 136p. **London Brick**, on the other hand, attracted fresh support on takeover hopes and put on 3 for a gain on the week of 8 to 166p. Elsewhere, **Robert M. Douglas** hardened a penny to 69p on the announcement that the company had been awarded various Middle East contracts totalling £14m. **McCarthy and Stone**, dealt in the Unlisted Securities Market, gained 20 to 498p following Press comment.

Frasers feature

ICI touched 456p in early dealings before further profit-taking left the close a net 4 down, or 22 lower on the week at 448p. Among other Chemicals, **Dixor-Strand** touched 32p on the chairman's statement before settling a penny cheaper on balance at 30p. **Novo Industries B** firmed 4 points for a two-day gain of 12 to £191.

Scattered support for **House of Fraser** awaiting the outcome of the shareholders meeting regarding the demerger of Harrods exacerbated technical postions in the market and the shares advanced to 202p before settling for a net gain of 10 at 200p; the poll result is expected on Monday. **Lonrho**, which intends to call another meeting if their resolution is defeated, hardened a couple of pence to 93p. Other major Retailers drifted lower with **Marks and Spencer** 5 off at 204p, and **Burton** 4 cheaper at 346p. **Debenhams**, however, again responded to takeover prospects and firmed 2 for a gain on the week of 8 at 136p.

Tern-Consulate dipped to 28p following the severe setback in full-year profits, but the shares, underpinned recently by bid hopes, attracted support at this level and finished only a penny cheaper on balance at 31p. **Northern Goldsmiths** shed a few pence to 154p following the omitted final dividend and reduced full-year earnings, and the liquidation of speculative positions left **Mellins** 15 down at 142p.

Electricals displayed an irregular appearance. In the leaders, **GEC** softened a couple of pence to 222p and **BICC** 3 to 250p, but **Plessey** improved a few pence to 610p. Elsewhere, **UEI** shed 30 to 285p, the more-than-doubled profits and increased final dividend eclipsed by the disappointing performance of the aerospace division.. Further profit-taking in the wake of the recent good results left **Sound Diffusion** down 22 more at 232p. On a brighter note, **FKI** put on 2½ *to* 25½p, after 26p, following Press comment

Engineering leaders moved narrowly in subdued trading. **GKN** closed a penny dearer at 160p, after 162p, following the chairman's statement at the annual meeting. **Whessoe**, a shade firmer on Thursday after favourable comment, eased a couple of pence to 132p in front of first-half results expected next Wednesday.

Cadbury Schweppes firmed 2 for a two-day gain of 10 to 115p, after 117p, in response to the chairman's confident statement at Thursday's annual meeting. **Rowntree Mackintosh** rose 6 to 236p in sympathy. Other leading Foods attracted selective buying, with **United Biscuits** rising 4 to 146p in a market short of stock. **Northern** also firmed 4, to 184p, while, in Retailers, **J. Sainsbury** found support in the late dealings and closed 7 dearer at 385p.

Glaxo below best

Glaxo highlighted the miscellaneous industrial leaders, rising to 935p before closing a net 40 up at 895p on the announcement that its Zantac anti-ulcer drug had obtained marketing approval in the U.S. **Rank Organisation** reflected revived U.S. bid speculation with a rise of 6 to 168p, while **Bowater** rallied from 185p to finish 2 dearer at 190p on further consideration of the planned newsprint price rise in the U.S. and on revived takeover speculation. **Beecham** gave up 10 to 375p and **Boots** softened 8 to 237p. Elsewhere, **Polly Peck** rallied from an initial dull level of £13½ to close 2 points up at £17 on the announcement that the company has issued a libel writ against a national newspaper. Mr Asil Nadir's other two quoted concerns performed similarly, **Cornell** picking up from 113p to finish 3 better on balance at 128p and **Wearwell** rising 3 to 60p. Press comment on the results helped **European Ferries** to improve 5 to 78p, while **London** altered at 298p, after 284p, ahead and Liverpool Trust closed un- of Monday's preliminary results. Still reflecting the decision to refer the General Felt's bid to the Monopolies Commission, **Sothebys** lost a further 10 for a drop on the week of 70 to 440p.

Fears that Pleasurama's bid would be referred to the Monopolies Commission continued to depress **Trident TV A** *which dipped* to 84p before closing 3½ lower and 13 down on the week at 86p; **Pleasurama** eased 5 to 305p.

Attention in Motor sectors switched to Components. **Dunlop** provided a late feature on revived hopes of a bid from the Far East and improved 3 to 53p. In contrast, **Lucas** lacked support and shed that much to 161p, while **Flight Refuelling** fell 6 to 292p, and **AE** gave up a couple of pence to 34p.

Publishers **Benn Brothers** rose 8 to 193p following the agreed share-exchange offer from **Extel**, 5 cheaper at 310p; original suitors **United Newspapers** rose a couple of pence to 258p. Elsewhere, **News International** reacted to scattered profit-taking in the wake of the minority offer from the parent company and shed 5 at 218p. **International Thomson** closed 16 up at 548p.

Leading Properties traded quietly around overnight levels before edging a little higher in late dealings. Elsewhere, **Percy Bilton** were actively traded in the wake of Trust Securities' abortive bid for the company and closed 2 easier at 270p.

Among Tobaccos, **Bats** attracted a reasonable two-way business and touched 605p before settling for a net loss of 12 at 618p.

Exco International, dull earlier in the week following the acquisition of 50.1 per cent of Gartmore and profit-taking in the wake of the American debut of Telerate, staged *a smart* rally and, in a thin market, closed 57 to the good at 630p, virtually unchanged on the week. Elsewhere in Financials, stockjobbers **Akroyd and Smithers** fell 14 to 351p despite favourable comment; the first-half results are scheduled for Monday.

BP fall

British Petroleum were particularly dull in Oils and shed 10 to 388p, after 386p, on second thoughts about the chairman's AGM statement which included a warning about substantial stock losses; the first-quarter figures are due on June 2. **Shell** finished just 2 cheaper on balance at 486p, after 484p, but **Ultramar** closed at the day's lowest of 545p, down 5. Outside of the leaders, **Saxon Oil**, already 18 higher at 183p on speculative buying, advanced to 188p for a gain of 23 on the revised intimated share offer from Clyde Petroleum. **KCA International** hardened 2 to 50p awaiting bid developments, while **KCA Drilling** put on 4 to 43p following the good preliminary results.

Golds dip and rally

Mining markets closed a generally buoyant week on a mixed note. South African Golds fell sharply at the outset, reflecting sizable selling and profit-taking from the Continent and London, but staged a minor rally in the late trading to close with little overall change.

The bullion price followed a similar pattern but closed with a $2.5 gain at $432.

The Gild Mines index showed a 0.1 decline at 653.6 but remained almost 40 points higher over the shortened week; the strong gains registered earlier in the week were mainly the result of professional interest in a market short of stock.

Despite the initial selling pressure yesterday, one or two firm spots prevailed, especially **Hartebeest**, which jumped £2¾ to £58 on rumours that the company has granted an additional lease area to **Stilfontein**. The latter held at £13⅞—up £2¾ on the week reflecting hopes that the life of the mine could be extended beyond the present six years.

Elandsrand also managed to gain ground, closing 21 firmer at 878p.

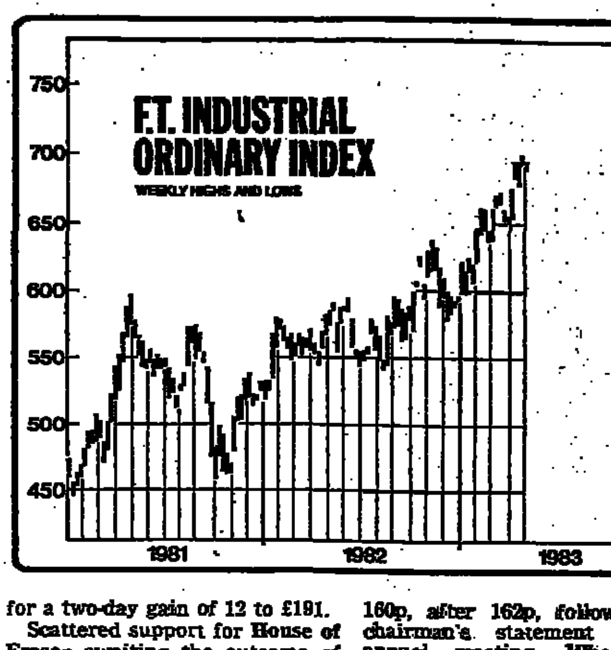
Turnover in South African Financials remained at a low level. **Gold Fields of South Africa** declined in early trading but recovered to close a net £2¾ up on balance at £95, while **Transvaal Consolidated Land** held at £33, the latter in front of the increased half-year profits.

Platinums managed to retain the gains registered earlier in the week as free market platinum held above the bullion price.

Australians remained overshadowed by the recent spate of money-raising operations in London and on domestic markets, notably those of CRA and Bridge Oil which are seeking a total of A$270m.

Rumours abounded that two or more of the major natural resources companies are also seeking to launch heavy rights issues; market talk suggested BHP and MIM as likely candidates.

Contracts struck in Traded Options amounted to 2,175 comprising 1,555 calls and 620 puts. The short week's daily average was 2,143. **Courtaulds** attracted a useful evenly-balanced business with 277 calls and 155 puts, while **Commercial Union** recorded 434 calls, 250 of which were done in the October 140s, ahead of next Tuesday's first-quarter figures. **British Petroleum** puts displayed useful gains following the chairman's remarks at Thursday's annual meeting; the July 390s rose 6 to 24p, and the 420s closed 10 up at 44p.



FINANCIAL TIMES STOCK INDICES

	May 6	May 5	May 4	May 3	April 29	April 28	year ago
Government Secs.	81.88	81.98	82.00	81.73	81.56	81.60	68.38
Fixed Interest	83.67	83.86	83.80	83.64	83.72	83.71	68.93
Industrial Ord.	694.4	695.0	689.8	692.1	685.8	696.8	583.3
Gold Mines	653.6	653.7	663.3	632.0	615.7	610.5	231.4
Ord. Div. Yield	4.52	4.52	4.54	4.52	4.50	4.49	5.37
Earnings, Yld.% (full)	8.87	8.87	9.14	9.10	9.08	9.15	11.34
P/E Ratio (net) (*)	13.76	13.76	13.28	13.34	13.40	13.23	11.05
Total bargains	23,480	24,240	24,183	19,556	23,458	25,766	16,617
Equity turnover £m.	—	243.03	204.87	214.85	259.39	280.46	153.5
Equity bargains	—	19,930	19,303	21,828	21,605	22,747	13,206
Shares traded (ml)	—	158.8	198.8	132.9	170.3	178.7	114.5

10 am 697.2, 11 am 694.9, Noon 694.4, 1 pm 692.9, 2 pm 692.3, 3 pm 692.4.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/58. SE Activity 1974.

Latest Index 01-248 8026.

Nil=12.84

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	82.75 (11/4)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	84.36 (18/4)	79.03 (1/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	699.0 (27/4)	596.4 (12/1)	699.0 (27/4/83)	49.4 (26/6/40)
Gold Mines	734.7 (15/2)	531.5 (28/5)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	May 5	May 4
—Daily		
Gilt Edged Bargains	166.6	176.1
Equities Bargains	128.5	135.1
Equities Value	491.2	414.1
5-day Avrge		
Gilt-Edged Bargains	162.5	163.4
Equities Bargains	136.5	138.9
Equities Value	485.7	504.7

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, May 5, 1983.

Office Equipment	+32.71
Motors	+32.54
Newspapers, Publishing	+30.43
Other Industrial Materials	+26.77
Shipping and Transport	+26.22
Oils	+24.95
Metals and Metal Forming	+23.23
Chemicals	+23.19
Insurance Brokers	+22.95
Health and H'sehold Products	+22.71
Banks	+22.70
Insurance (Composite)	+22.57
Mining Finance	+18.87
Textiles	+18.78
Financial Group	+18.58
Other Groups	+18.12
Leisure	+17.49
Gold Mines Index	+17.46
Overseas Traders	+16.06
Engineering Contractors	+15.63
Other Consumer	+14.28
Mechanical Engineering	+13.84
Investment Trusts	+13.73
All-Share Index	+12.73
Property	+12.20
Insurance (Life)	+11.89
500-Share Index	+11.24
Merchant Banks	+11.18
Packaging and Paper	+ 9.96
Capital Goods	+ 9.59
Industrial Group	+ 8.96
Building Materials	+ 7.80
Consumer Group	+ 6.42
Discount Houses	+ 4.97
Electricals	+ 4.33
Contracting, Construction	+ 4.25
Food Manufacturing	+ 2.72
Brewers and Distillers	+ 2.55
Tobaccos	+ 0.61
Stores	+ 0.03
Food Retailing	− 0.57

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
May 3	May 13	July 28	Aug 8
May 16	May 27	Aug 11	Aug 22
May 31	June 10	Sept 1	Sept 12

For rate indications see end of Share Information Service

Demand for Options improved and calls were arranged in Scottish and Newcastle, I. & J. Hyman, First National Finance, ICL, Ladies Pride, Aitken Hume, Bifurcated Engineering, Whittington Estates, Turner and Newall, GEC, Polly Peck, Combined Technologies, Sound Diffusion, Rotaflex, ICI, Mills and Allen, Saxon Oil, Woodside, Exco, Bowater, Premier Oil and KCA International. A put was done in Rotaflex. No doubles were reported.

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	5	82	12	159	123	111
Corpns Dom & Foreign Bonds	6	9	65	43	26	245
Industrials	193	341	805	694	1,523	3,139
Financial & Props	81	93	345	246	574	1,260
Oils	19	30	52	58	141	245
Plantations	4	2	15	21	7	60
Mines	19	58	76	169	164	279
Others	76	37	57	247	240	253
Totals	403	652	1,449	1,637	2,798	5,592

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (51)

BRITISH FUNDS (1)
Exchqr. 10pc 1983
INTERNATIONAL BANKS (1)
Mexico 16½pc 2008
CORPORATION LOANS (1)
Liverpool 9½pc '80-84
COMMONWEALTH LOANS (1)
N.Z. 7½pc 1983-86
FOREIGN BONDS (1)
Pet. Mx. 14½pc '06
AMERICANS (7)
Amax, Amdahl, Brunswick Corp., Chrysler, Ford Motor, I.U. Int., Time Inc.
CANADIANS (3)
Bow Valley, Imperial Oil, Inco
BEERS (1)
Scottish & Newcastle
BANKS (2)
Joseph (Leopold), Mercury Secs.
BUILDINGS (1)
London Brick
CHEMICALS (1)
Novo Inds. A/S
STORES (2)
Debenhams, House of Fraser
ELECTRICALS (1)
Norsk Data
ENGINEERING (3)
Chamberlain & Hill, Simon Eng., Haden
HOTELS (1)
Kennedy Brookes
INDUSTRIALS (9)
Assoc. Heat Serv., Bridon, Bridport-Gundry, Caparo Ind., Dupont, Cleeve? Lilleshall, Midland Marts, UKO Int.
INSURANCE (1)
Allianz Vers.
MOTORS (1)
Volvo
NEWSPAPERS (2)
Independent, Intl. Thomson
PROPERTY (2)
Mountleigh, Regalian
SHOES (1)
Garner Booth
TRUSTS (2)
Child Health, Cystic Fibrosis
OIL & GAS (3)
Brunswick, Saxon, Ranger Oil
PLANTATIONS (2)
Harrisons Mly. Plnt., Highlands
MINES (1)
Gold Fields S.A.

NEW LOWS (21)

BRITISH FUNDS (1)
Treas. 2pc I.L. '88
BANKS (1)
Alexanders
BUILDINGS (2)
French Kier, Watts Blake
CHEMICALS (1)
Anchor Chem.
STORES (1)
Greenfields
ELECTRICALS (1)
U.E.I.
ENGINEERING (1)
Mining Supplies
FOODS (2)
Belam, [illegible]
INDUSTRIALS (6)
[illegible]
LEISURE (1)
Horizon
NEWSPAPERS (1)
Portsmouth Sund.
PAPER (1)
Smith (David)
PROPERTY (3)
[illegible]
TOBACCOS (1)
BAT Inds.
TRUSTS (1)
Kitchen Taylor
OIL & GAS (1)
LASMO 'Ops'
MINES (1)
Alex Corp.

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
BAT Inds	618	−12	BP	388	−10
Barratt Dev	462	−8	London & Liverpool	[illegible]	[illegible]
Bilton (P.)	270	−2	Mellins	142	−15
Cadbury Schweppes	115	+2	Polly Peck	[illegible]	[illegible]
Exco Int.	630	+57	Saxon	188	+5
Glaxo	895	+40	Shell Trans	486	−2

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Bowater	37	188	+18	Johnson Clnrs	19	297	−37
Tilling (T.)	34	211	+21	Ryl Bk of Scot	19	124	−13
Arlen Elec	32	353	+7	Saxon Oil	19	183	+18
Lon & Liv	32	298	+4	Shell Trans	18	[illegible]	[illegible]
Sound Diff	29	254	−22	Burmah Oil	17	[illegible]	[illegible]
BAT Inds	22	630	[illegible]	BP	17	[illegible]	[illegible]
Hogg Robinson	19	120	+5	Exco Int.	17	573	[illegible]

4-DAY ACTIVE STOCKS

Based on bargains over the four-day period ending Thursday

Stock	No. of changes	Thurs. close	Change on week	Stock	No. of changes	Thurs. close	Change on week
Glaxo	[illegible]	[illegible]	[illegible]	Sotheby's	70	450	[illegible]
ICI	85	[illegible]	[illegible]	BP	[illegible]	[illegible]	[illegible]
Arlen Elec	83	353	[illegible]	Marks & Spen	[illegible]	[illegible]	[illegible]
Lon & Liv	[illegible]	298	[illegible]	Plessey	[illegible]	[illegible]	[illegible]
Sound Diff	79	254	[illegible]	Polly Peck	[illegible]	[illegible]	[illegible]
Bowater	77	188	+15	Bellair Cos	[illegible]	[illegible]	[illegible]
BAT Inds	70	630	[illegible]	Beecham	[illegible]	[illegible]	[illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Figures in parentheses show number of stocks per section

	EQUITY GROUPS & SUB-SECTIONS	Fri May 6 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur May 5 Index No.	Wed May 4 Index No.	Tues May 3 Index No.	Fri April 29 Index No.	Year ago (approx.) Index No.	1983 High	1983 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (206)	468.00	−0.6	8.40	3.69	15.13	470.63	472.29	476.10	477.01	389.88	484.42 (26/4)	413.64 (27/1)	484.42 (26/4/83)	50.71 (13/12/74)
2	Building Materials (23)	430.26	−0.8	9.73	4.60	12.73	433.74	439.78	441.21	444.09	342.02	462.65 (15/3)	402.34 (1/1)	462.65 (15/3/83)	44.27 (11/12/74)
3	Contracting, Construction (30)	754.46	−1.1	11.81	4.55	10.30	762.47	776.03	783.10	792.03	629.87	831.09 (15/3)	717.95 (12/1)	831.09 (15/3/83)	71.48 (2/12/74)
4	Electricals (33)	1762.24	−0.5	6.82	1.98	18.95	1771.66	1772.74	1798.38	1793.56	1390.91	1869.70 (25/4)	1523.07 (27/1)	1904.92 (11/10/82)	84.71 (25/6/62)
5	Engineering, Contractors (10)	497.06	−0.2	14.60	6.09	8.42	498.17	497.61	494.43	498.82	496.07	503.86 (27/4)	391.02 (1/2)	523.05 (5/2/82)	64.39 (2/1/75)
6	Mechanical Engineering (64)	219.85	−0.2	11.04	5.26	11.30	220.32	221.38	221.47	222.77	203.71	225.27 (27/4)	193.53 (1/1)	230.26 (24/4/81)	45.43 (6/1/75)
8	Metals and Metal Forming (11)	181.37	−0.3	9.85	6.44	12.44	181.95	182.83	183.68	184.96	169.19	187.60 (7/4)	147.60 (4/1)	192.29 (4/5/79)	49.65 (6/1/75)
9	Motors (18)	102.50	−0.1	—	5.27	—	102.60	103.97	104.41	103.92	95.44	104.41 (3/5)	76.73 (24/1)	170.59 (15/1/69)	19.91 (6/1/75)
10	Other Industrial Materials (17)	456.80	−0.7	7.14	4.90	18.39	459.98	453.25	454.39	454.29	383.77	461.18 (18/4)	362.82 (1/1)	461.18 (18/4/83)	277.55 (15/1/81)
21	CONSUMER GROUP (201)	426.72	−0.3	10.03	4.28	12.11	427.88	429.14	433.14	437.04	310.32	442.12 (18/4)	395.44 (12/1)	442.12 (18/4/83)	61.41 (13/12/74)
22	Brewers and Distillers (23)	455.17	−1.4	11.17	4.72	10.93	461.65	465.98	470.87	473.81	312.13	486.54 (15/2)	433.18 (30/3)	486.54 (15/2/83)	69.47 (13/12/74)
25	Food Manufacturing (21)	333.56	+0.5	13.42	5.73	8.75	331.92	331.57	335.67	338.58	275.97	350.37 (10/3)	323.11 (1/1)	350.37 (10/3/83)	59.67 (11/12/74)
26	Food Retailing (14)	862.79	+0.9	7.41	2.84	16.99	854.70	862.12	861.57	869.25	595.11	893.46 (15/3)	815.37 (30/3)	915.86 (17/11/82)	54.25 (11/12/74)
27	Health and Household Products (8)	822.42	+1.1	5.21	2.29	22.84	813.64	829.68	832.71	843.97	453.84	879.98 (18/4)	663.01 (1/1)	879.98 (18/4/83)	175.38 (28/5/80)
29	Leisure (24)	541.76	−0.6	7.31	4.47	17.94	545.30	552.03	550.83	554.91	448.83	556.71 (18/4)	451.88 (12/1)	556.71 (18/4/83)	54.83 (9/1/75)
32	Newspapers, Publishing (14)	813.59	−0.5	10.36	4.00	11.69	817.67	824.64	825.64	825.46	533.83	833.52 (28/4)	619.26 (4/1)	833.52 (28/4/83)	55.08 (6/1/75)
33	Packaging and Paper (14)	158.00	+1.8	12.96	6.29	9.13	155.27	152.29	153.48	154.10	147.40	170.70 (17/2)	139.78 (4/1)	170.70 (17/2/83)	43.46 (6/1/75)
34	Stores (48)	375.44	−1.0	8.18	3.77	16.31	379.34	376.01	385.68	388.91	282.85	391.39 (28/4)	342.40 (24/1)	397.17 (19/11/82)	52.63 (6/1/75)
35	Textiles (22)	203.51	−0.1	12.78	5.50	9.36	203.65	206.18	202.99	204.54	178.24	209.13 (14/4)	171.44 (1/1)	295.72 (17/1/67)	62.66 (11/12/74)
36	Tobaccos (3)	441.19	−1.4	21.63	7.00	5.17	447.52	439.29	439.48	445.42	342.63	516.31 (3/2)	439.29 (4/5)	516.31 (3/2/83)	94.34 (13/6/62)
39	Other Consumer (10)	378.12	−1.0	6.69	3.83	—	381.95	383.95	385.97	387.12	290.73	389.84 (28/4)	334.21 (1/1)	389.84 (28/4/83)	229.84 (28/9/81)
41	OTHER GROUPS (79)	343.05	−0.2	8.46	4.79	14.75	343.88	345.57	349.82	352.17	259.07	355.95 (21/4)	288.55 (12/1)	355.95 (21/4/83)	58.63 (6/1/75)
42	Chemicals (15)	474.17	−0.6	8.42	5.10	14.83	476.97	478.42	486.12	489.86	341.98	497.46 (28/4)	379.93 (12/1)	497.46 (28/4/83)	71.20 (1/12/74)
44	Office Equipment (6)	109.07	+1.5	8.08	5.01	15.92	107.43	107.14	107.42	108.84	115.02	112.59 (10/3)	80.95 (1/1)	246.06 (1/9/72)	45.34 (2/1/75)
45	Shipping and Transport (14)	660.73	+0.5	9.31	6.06	13.84	657.63	661.35	665.38	675.98	583.43	686.60 (26/4)	520.64 (4/1)	686.60 (26/4/83)	90.80 (29/6/62)
46	Miscellaneous (44)	455.96	−0.3	8.33	4.16	14.78	457.33	460.74	466.01	467.35	331.63	485.58 (16/3)	409.35 (12/1)	485.58 (16/3/83)	60.39 (6/7/75)
49	INDUSTRIAL GROUP (486)	430.66	−0.4	9.25	4.15	13.36	432.24	433.72	437.76	440.49	330.49	444.13 (27/4)	391.26 (12/1)	444.13 (27/4/83)	59.01 (13/12/74)
51	Oils (14)	862.92	−1.5	12.86	6.78	9.45	875.69	883.44	893.76	891.66	750.00	893.76 (3/5)	693.58 (28/2)	1065.24 (19/11/80)	87.23 (29/5/62)
59	500 SHARE INDEX	466.72	−0.5	9.82	4.56	12.54	469.25	471.27	475.83	478.14	364.62	480.73 (27/4)	419.14 (12/1)	480.73 (27/4/83)	63.49 (13/12/74)
61	FINANCIAL GROUP (121)	313.13	+0.1	—	5.84	—	317.76	321.69	323.34	325.97	251.26	328.19 (28/4)	267.24 (4/1)	328.19 (28/4/83)	55.88 (13/12/74)
62	Banks (6)	340.35	+0.2	26.27	7.27	4.20	339.77	349.47	350.69	354.08	268.68	357.74 (15/3)	273.48 (4/1)	357.74 (15/3/83)	62.44 (12/12/74)
63	Discount Houses (8)	298.39	−2.3	—	8.95	—	305.51	307.39	308.11	308.82	224.82	316.24 (26/4)	270.71 (31/1)	334.35 (14/10/82)	81.40 (10/12/74)
65	Insurance (Life) (9)	398.16	−0.3	—	5.47	—	399.44	402.88	406.25	410.57	269.18	415.66 (19/4)	332.67 (12/1)	415.66 (19/4/83)	44.88 (2/1/75)
66	Insurance (Composite) (10)	215.53	+0.6	—	6.97	—	214.18	216.67	218.06	219.65	155.65	220.69 (28/4)	174.73 (4/1)	220.69 (28/4/83)	43.96 (13/12/74)
67	Insurance Brokers (7)	597.02	−0.9	11.02	4.97	12.43	602.45	606.19	603.25	605.93	492.59	631.47 (12/4)	489.98 (1/1)	631.47 (12/4/83)	65.86 (16/12/74)
68	Merchant Banks (13)	167.03	−1.3	—	5.21	—	169.24	168.68	168.62	169.87	147.87	172.94 (19/4)	152.21 (1/1)	278.57 (1/5/72)	31.21 (7/1/75)
69	Property (54)	464.14	+0.1	5.74	3.82	23.17	463.70	465.83	470.43	472.52	434.24	483.94 (25/4)	410.37 (12/1)	517.77 (2/4/81)	56.01 (20/4/65)
70	Other Financial (14)	247.86	+1.1	10.70	5.39	11.32	244.41	246.31	245.88	249.43	174.50	263.61 (25/3)	183.23 (4/1)	303.18 (18/5/72)	33.29 (17/12/74)
71	Investment Trusts (109)	408.12	+0.2	—	4.20	—	407.47	409.55	409.39	413.51	301.07	424.53 (18/4)	358.26 (1/1)	424.53 (18/4/83)	71.63 (13/12/74)
81	Mining Finance (4)	276.77	−1.7	7.23	5.13	18.09	281.44	283.04	283.35	283.19	214.08	290.94 (15/4)	236.76 (1/1)	296.26 (14/8/81)	66.31 (30/9/74)
91	Overseas Traders (16)	452.57	+0.1	9.38	8.06	15.07	452.11	452.99	456.42	458.35	374.03	458.35 (29/4)	387.81 (4/1)	488.51 (18/5/81)	97.37 (6/1/75)
99	ALL-SHARE INDEX (750)	429.11	−0.4	—	4.80	—	430.88	433.32	436.85	439.29	335.06	441.52 (18/4)	382.22 (1/1)	441.52 (18/4/83)	61.92 (13/12/74)

FIXED INTEREST

	PRICE INDICES	Fri May 6	Day's change %	Thur May 5	xd adj. today	xd adj. 1983 to date
	British Government					
1	5 years	117.02	−0.04	117.59	0.53	4.53
2	5-15 years	130.44	−0.26	130.79	—	4.77
3	Over 15 years	139.96	−0.40	140.85	0.32	4.93
4	Irredeemables	146.50	−0.37	147.04	—	6.07
5	All Stocks	128.98	−0.24	129.54	0.25	4.75
6	Debentures and Loans	103.87	+0.01	103.85	—	3.50
7	Preference	80.57	—	80.57	—	2.59

	AVERAGE GROSS REDEMPTION YIELDS		Fri May 6	Thur May 5	Year ago (approx.)	1983 Highs	1983 Lows
	British Government						
1	Low Coupons	5 years	9.33	9.28	11.80	9.49 (29/3)	8.64 (5/1)
2		15 years	10.08	10.03	12.82	10.91 (24/1)	9.89 (4/1)
3		25 years	9.97	9.91	12.77	11.18 (31/1)	9.73 (11/4)
4	Medium Coupons	5 years	11.19	11.11	14.02	12.16 (12/1)	11.06 (4/1)
5		15 years	10.87	10.81	13.86	12.16 (24/1)	10.68 (11/4)
6		25 years	10.38	10.24	13.38	11.76 (24/1)	10.09 (11/4)
7	High Coupons	5 years	11.23	11.17	13.87	12.29 (12/1)	11.16 (4/5)
8		15 years	11.04	10.99	14.06	12.28 (24/1)	10.89 (11/4)
9		25 years	10.44	10.38	13.57	11.82 (24/1)	10.22 (11/4)
10	Irredeemables †		9.96	9.91	12.47	11.07 (2/2)	9.69 (11/4)
11	Debs & Loans	5 years	12.03	11.95	14.89	12.99 (1/2)	11.89 (4/5)
12		15 years	12.03	12.06	14.83	12.88 (2/2)	12.01 (18/4)
13		25 years	12.03	12.07	14.78	12.98 (4/2)	12.01 (18/4)
14	Preference †		12.24	12.24	15.46	13.24 (24/1)	12.18 (21/4)

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	162.74	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p.

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −	Net Div.	Times Covered	Gross Yield	P/E Ratio
140	F.P.	15/4	145	126	✱Airship Inds.	126	.....	—	—	—	—
—	F.P.	—	100	85	Atl'tc M'trp'n U.S.$.10	90	.....	Q8c	0.6	5.9	38.5
§68	F.P.	20/5	103	95	✱Bensons Crisps 10p	95	.....	g1.9	3.1	2.9	12.6
§110	F.P.	3/6	160	125	✱Bryant (Derek) 10p	125	.....	u5.25	2.0	6.0	12.2
¶225	F.P.	6/5	253	220	Datastream 5p	225	−2	b3.25	3.5	1.4	28.5
§14½	F.P.	31/5	15	14	Edmond Hldgs. 10p	14xr	.....	b1.0	1.1	10.2	12.7
‖	F.P.	—	60	34	✱Intervision Video 10p	38	.....	1.0	2.1	3.8	15.1
§80	F.P.	20/5	135	110	✱Lorlin Elect. 20p	125	−4	b1.0	5.0	1.1	20.8
§32	F.P.	—	43½	38½	MCD	40	.....	u1.0	2.2	3.6	18.2
§94	F.P.	20/5	150	140	✱Microlease 10p	142	+2	ud2.0	2.5	2.0	23.0
§60	F.P.	27/5	143	120	✱Miss World Grp. 10p	120	−3	b3.0	2.5	3.6	16.3
¶§65	Nil	16/5	18pm	4pm	✱Mnemos 10	4pm	.....	—	—	—	—
¶1350	F.P.	27/5	368	350	Octopus Publish. 20p	355	.....	‡8.0	2.3	3.2	18.8
§£48	F.P.	—	£67	£59	Perstorp AB Free 'B'	£59	.....	Q9.84%	5.2	0.7	29.0
‖	F.P.	—	36	27	✱Rivlin I. D. & S. 5p	34	+1	F0.1	—	0.5	—
§134	F.P.	—	150	138	✱Securiguard 5p	138	−2	b1.75	2.6	1.8	28.8
§105	F.P.	10/6	153	120	✱Spring Ram 10p	120	−8	u3.0	2.3	3.5	14.1
§47	F.P.	3/6	80	64	✱Strikes Rests. 10p	66	.....	g1.35	3.5	2.9	13.8
§72	F.P.	30/3	113	89	✱Utd. Packaging 10p	104	.....	b2.5	3.2	3.4	11.1
‖	F.P.	20/5	44	36	✱Yorkgreen Inv. 10p	36	−1	b1.4	2.5	5.6	8.1

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −
‖	F.P.	23/5	190p	115p	Bifurcated Con. Cum. Pref. 91-93	160p	+5
¶¶100	Nil	18/5	20ppm	15½ppm	✱Booth 10% Con. Uns. Ln. 1990	20ppm	.....
—	£20	28/10	20½	19¼	Bristol 11½ pc Red. 2018	20½	.....
—	£25	26/8	25	24½	Brixton Est. 11¾pc Deb	24⅛	+¼
¶¶	F.P.	20/5	100	95	Brooke Tool 17% Conv. Prf.	95	.....
‡100	Nil	12/5	17ppm	12ppm	East'n Prod. 10½% Con. Ln. 1997-2002	12ppm	.....
¶101	£10	28/7	12	11¼	Folkestone Water 7% Pref. 1988	11¼	.....
—	—	—	100 1/16	100	Nationwide B. S. 10 11/16% Bds. 30/4/84	100 1/16	.....
¶¶	F.P.	20/5	15½p	11p	Newman Ind. 10% Cnv. Pf. 10p	15p	.....
¶¶	F.P.	24/6	102	100¾	NewThrogm't'n Tst. (83) 12.6% 2008	101	.....
93.89	£30	15/9	30½	30⅛	New Zealand 11¼% 2008	30½	.....
§97.174	F.P.	6/5	104⅝	94	Pearson (S) 13% Uns. Ln. 2007	104⅝	+⅛
99.785	F.P.	17/6	99½	99⅛	Securities Tst of Scot. 12% 2003	99½	.....
99.778	£25	21/9	26	25	Sunderland 11¾% Red. 2008	25⅝	.....
‖	Nil	12/5	2ppm	1ppm	Tomatin Dist. 7pc Cnv. Pref.	1ppm	−1
§98.579	£25	31/8	24	23¼	Trafford Park Est. 11¾% 2007/11	23¼	.....
100	F.P.	13/5	112p	105p	Wellman Eng. 10% Irr. Pref.	109p	.....

"RIGHTS" OFFERS

Issue price	Amount paid up	Latest Renunc. date ●	Latest Renunc. date ■	1983 High	1983 Low	Stock	Closing price	+ or −
35	Nil	—	—	14pm	11pm	Anvil Pet. 20p	11pm	−1
55	F.P.	26/4	3/6	115	97	BSR 10p	112	.....
155	F.P.	8/4	31/5	206	175	Brit. Car Auctions 10p	195	.....
45	F.P.	30/4	3/6	53	49	Comben Grp. 10p	49	.....
42	Nil	[illegible]	[illegible]	[illegible]	[illegible]	Dubilier 5p	[illegible]	[illegible]
85	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
125	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Edmond Hldgs. 10p	[illegible]	[illegible]
14	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Electro Protective	[illegible]	[illegible]
155	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
385	F.P.	[illegible]	[illegible]	[illegible]	522	Fisons £1	640	[illegible]
163	F.P.	[illegible]	[illegible]	196	163	Gears Gross 10p	[illegible]	[illegible]
145	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Immediate Business 10p	[illegible]	[illegible]
198	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	LASMO	[illegible]	[illegible]
185	F.P.	[illegible]	[illegible]	[illegible]	[illegible]	Leisuretime Int. 10p	[illegible]	[illegible]
110	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mills & Allen	[illegible]	[illegible]
290	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Mowlem (J.)	[illegible]	[illegible]
176	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Norton (W.E.)	[illegible]	[illegible]
1.25	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Sheffield Brick	[illegible]	[illegible]
178	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Spirax-Sarco	[illegible]	[illegible]
390	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Standard Chartered Bank	[illegible]	[illegible]
140	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Warehouse Gp.	[illegible]	[illegible]
15	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Whittington Int'l	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1983. H Dividend and yield based on prospectus or other official estimates for 1983-84. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. ● Figures or report awaited. § Placing price. p Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ✱ With warrants. † Effective issue price after scrip. ‡ Formerly dealt in under special rule.

INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Assur. Co. Ltd.—cont.

Black Horse Life Ass. Co. Ltd.

British National Life Assurance Co. Ltd.

Canada Life Group

Cannon Assurance Ltd.

Capital Life Assurance

Chieftain Assurance Funds

City of Westminster Assurance

Clerical Medical & Gen. Life Ass. Soc.

Clerical Medical Managed Funds Ltd.

Commercial Union Group

Confederation Life Insurance Co.

Continental Life Insurance PLC

Cornhill Insurance PLC

Credit & Commerce Insurance Co. (UK)

Crescent Life Assurance Co. Ltd.

Crown Life

Crusader Insurance PLC

Eagle Star Insur./Midland Assur.

Equity & Law Life Ass. Soc. Ltd.

Equity & Law (Managed Funds) Ltd.

Family Assurance Society

G.T. Management Ltd.

Assicurazioni GENERALI S.p.A.

General Portfolio Life Ins. C. Ltd.

Growth & Sec. Life Ass. Soc. Ltd.

Guardian Royal Exchange

Hambro Life Assurance P.L.C.

Hearts of Oak Benefit Society

Henderson Administration

Hill Samuel Life Assur. Ltd.

Imperial Life Ass. Co. of Canada

Irish Life Assurance Co. Ltd.

Langham Life Assur. Co. Ltd.

Legal & General (Unit Assur.) Ltd.

Legal & General Prop. Fd. Mgrs. Ltd.

Life Assur. Co. of Pennsylvania

Lloyds Life Assurance

London Indemnity & Gnl. Ins. Co. Ltd.

London Life Linked Assur. Ltd.

London & Manchester Gp.

M & G Group

Manufacturers Life Insurance Co.

Merchant Investors Assurance

Multiple Health and Life Assur. Co. Ltd.

NEL Pensions Ltd.

National Provident Institution

New Zealand Ins. Co. (U.K.) Ltd.

Norwich Union Insurance Group

Pearl Assurance (Unit Funds) Ltd.

Phoenix Assurance Co. Ltd.

Pioneer Mutual Insurance Co. Ltd.

Planned Savings Group

Premium Life Assurance Co. Ltd.

Prop. Equity & Life Ass. Co.

Property Growth Assur. Co. Ltd.

Providence Capital Life Assc. Co. Ltd.

Provident Mutual Life Assur. Assn.

Provincial Life Assurance Co. Ltd.

Prudential Assurance Co. Ltd.

Prudential Pensions Limited

Refuge Investments Limited

Reliance Mutual

Royal Life Insurance Ltd.

Save & Prosper Group

Schroder Life Assurance Ltd.

Scottish Amicable Investments

Scottish Equitable Life Assce. Soc.

Scottish Mutual Assurance Society

Scottish Widows' Group

Standard Life Assurance Company

Sun Alliance Insurance Group

Sun Life of Canada (UK) Ltd.

Sun Life Unit Assurance Ltd.

Target Life Assurance Co. Ltd.

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

Tyndall Assurance/Pensions

Vanbrugh Life Assurance

Vanbrugh Pension Limited

Windsor Life Assur. Co. Ltd.

OFFSHORE AND OVERSEAS

Adig Investment

Albany Fund Management Limited

Alliance International Dollar Reserves

Arbuthnot Securities (C.I.) Ltd.

Barclays Unicorn International

Bishopsgate Commodity Ser. Ltd.

Bridge Management Ltd.

Britannia Intl. Investment Mngmt. Ltd.

Capital Asset Managers Ltd.

Charterhouse Japhet

Cornhill Ins. (Guernsey) Ltd.

Delta Group

Dreyfus Intercontinental Inv. Fd.

Emson & Dudley Tst. Mgt. Jrsy. Ltd.

Fidelity International

Fleming Japan Fund S.A.

Framlington Group

Gartmore Fund Managers Ltd.

Hambros Fd. Mgrs. (C.I.) Ltd.

Henderson Admin.

Hill Samuel Investment Mgmt. Intnl.

International Bond Trust

Jardine Fleming & Co. Ltd.

Kleinwort Benson Group

Lloyds Bank (C.I.) U/T Mgrs.

Lloyds Bank International, Geneva

M & G Group

Murray, Johnstone (Inv. Adviser)

Newport International Management

Phoenix International

Quest Fund Man. (Jersey) Ltd.

Royal Trust Asset Management

Save & Prosper International

Schroder Mngt. Services (Jersey) Ltd.

Strategic Metal Trust Mngrs. Ltd.

TSB Trust Funds (C.I.)

Tokyo Pacific Holdings N.V.

Tyndall Group

Vanbrugh Fund Mngmt. Intl. Ltd.

S. G. Warburg & Co. Ltd.

Warburg Invest. Mngt. Jrsy. Ltd.

World Wide Growth Management

Wren Commodity Management Ltd.

NOTES

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99⅝	98⅝	Treasury 9¼pc '83	99⅝	.....	10.06	10.06
102⅝	100⅝	Exch. 13¼pc '83	101⅝xd	+⅛	13.27	10.09
100⅛	98⅝	Exch. 10pc 1983	100⅛xd	+⅛	10.00	10.00
97⅛	96¼	Funding 5½pc '82-84‡‡	97⅛	.....	5.67	9.96
101¼	99½	Exch. 11¼pc 1984	100⅝	.....	11.15	9.98
104⅜	102½	Exchequer 14pc 1984	103⅜xd	.....	13.49	10.09
94¼	92½	Exch. 3pc 1984	94½	.....	3.17	8.26
102⅝	100⅝	Treasury 12pc 1984	102⅜	−⅛	11.72	10.00
107⅝	105⅜	Treasury 15pc 1985	107⅛	−⅛	14.01	10.52
107	101⅜	Exch. 12pc Cnv. '85	104	−¼	11.54	9.56
90⅞	88⅛	Treasury 3pc 1985	90⅞xd	+⅛	3.31	8.04
102⅛	99⅝	Treasury 11½pc 1985	101⅝	−⅛	11.32	10.67
102	95	Treas 8¾pcCnv '85	97¼	−⅛	9.00	10.06
103⅝	103¼	Exch. 12¼pc 1985	103⅛xd	−⅛	11.86	10.71
102⅞	99⅞	Exch. 11¾pc '86	102⅛	−⅛	11.48	10.72
88½	85⅝	Treasury 3pc 1986	87⅛xd	+⅛	3.45	7.98
67⅛	66	Exch. 10½pcCv. '86 (£65pd)	66⅞	−¼	10.45	10.24
103⅝	100⅛	Treasury 12pc '86	103⅛xd	−¼	11.62	10.72
97½	94⅝	Treasury 8½pc '84-86‡‡	95⅝	−⅛	8.89	10.14
112¼	103¼	Treas. 12¼pc '86 Cnv.	110½	−½	11.08	8.42
109⅞	105½	Exch. 14pc 1986	108⅞	−⅛	12.86	10.85
107⅛	103⅝	Exch. 13¼pc 1987	106⅞	−⅛	12.39	10.90
84⅞	81½	Exchequer 2½pc 1987	81½	−¼	3.07	8.26
100⅛	95⅞	Exch. 10½pc 1987	99⅛	−⅛	10.60	10.78
99⅛	29⅛	Exch. 10½pc 1987A	98⅞	−⅛	10.61	10.84
93¼	89⅝	Funding 6½pc '85-87‡‡	89⅝	−⅛	7.25	9.70
81⅞	81⅛	Treasury 3pc 1987	81½	−⅛	3.68	8.33
104⅛	99⅞	Treas 12pc 1987	103⅝	−¼	11.61	11.01
93¼	89⅞	Treasury 7¾pc '85-88‡‡	90⅝	−¼	8.55	10.29
		Five to Fifteen Years				
101½	95½	Exch 10½pc '88	98½xd	−¼	10.70	10.98
81½	75⅝	Transport 3pc '78-88	79¾	−⅛	3.81	8.11
96½	90¼	Treas. 9½pc '88	94⅜	−⅛	10.11	10.98
104⅝	95¼	Treasury 11½pc 1989	102⅛	−⅜	11.53	11.56
25⅞	24⅝	Treas. 10½pc '89(£25pd)	25⅝	−⅛	10.94	11.51
83¾	77½	Treasury 5pc '86-89	78¾	−¼	6.38	9.56
111⅜	103	Treasury 13pc 1990‡‡	111⅛	−¼	12.14	11.45
108¼	101¼	Exch. 12½pc 1990	106⅛	−⅝	11.96	11.52
92	86¼	Treasury 8¼pc '87-90‡‡	91⅞	−⅛	9.31	10.58
105¼	97	Treasury 11¾pc 1991	105	−⅛	11.61	11.50
83	75¾	Funding 5¾pc '87-91‡‡	78	−⅛	7.42	9.92
103	95⅞	Exch. 11pc 1991	99	−⅜	11.15	11.26
111⅞	102	Treasury 12¾pc '92‡‡	111¼	−¼	11.85	11.35

Over Fifteen Years

1983 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
121⅛	106	Treas. 13pc 2000	120⅝	−½	11.18	10.88
128⅝	113¼	Treas. 14pc '98-01	121xd	−½	11.52	11.04
114	99¼	Exch. 12pc '99-02	112½	−½	11.01	10.79
126¾	111	Treas. 13¾pc 2000-03	125⅝	−⅝	11.29	10.93
110⅝	99⅝	Treasury 11½pc '01-04	109	−½	10.70	10.56
49¼	43½	Funding 3½pc '99-04	48⅞	−⅝	7.32	9.11
122¼	106½	Treasury 12½pc '03-05	115xd	−½	10.83	10.63
83¾	77¼	Treasury 8pc '02-06‡‡	83⅝	−⅝	9.68	9.92
114⅛	99	Treasury 11¾pc 03-07	112⅞	−½	10.73	10.59
125¾	115	Treas. 13½pc '04-08	124⅞	−½	10.93	10.69
62⅞	53¾	Treasury 5½pc '08-12‡‡	61⅝	−⅝	9.09	9.52
83⅝	71⅞	Treasury 7¾pc '12-15‡‡	82⅞	−⅝	9.66	9.78
122	106¼	Exch. 12pc '13-17	115⅞xd	−¼	10.25	10.17
		Undated				
40½	35¼	Consols 4pc	39⅞	−⅛	10.30	—
37½	31¼	War Loan 3½pc‡‡	34⅞xd	−⅛	9.97	—
41⅝	37½	Conv. 3½pc '61 Aft.	41⅛	−⅛	8.53	—
30¼	28¼	Treasury 3pc 66 Aft.	30¼	−⅛	10.01	—
25¼	22¾	Consols 2½pc	24¾	−⅛	10.20	—
25	22⅞	Treasury 2½pc	24⅝	−⅛	10.26	—
		Index-Linked			(1)	(2)
106	102¾	Treas. 2pc I.L. '88	102⅞	−⅛	2.40	2.74
111¾	107½	Do. 2pc I.L. '96	108	−¼	2.63	2.75
40⅝	39⅞	Do. 2½pc I.L. '99(£40pd)	40⅝	.....	2.43	2.54
103⅞	99¼	Do. 2½pc I.L. 2001	100⅝	−½	2.53	2.63
104	97¼	Do. 2½pc I.L. 2003	99½xd	−¼	2.51	2.61
107½	102	Do. 2pc I.L. 2006	104⅜	−⅝	2.47	2.57
104½	98	Do. 2½pc I.L. 2009	99¾xd	−½	2.51	2.58
109½	105	Do. 2½pc I.L. 2011	106⅝	+⅛	2.46	2.54
100¼	97⅜	Do 2½pc I.L. 2016	97⅞	−⅜	2.48	2.54

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS
Public Board and Ind.

LOANS—Continued
Financial
Building Societies

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, H.P. & LEASING

BANKS—Continued
Hire Purchase, Leasing, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CHEMICALS, PLASTICS—Cont.

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
396	344	Initial	370	–1	†10.75	2.5	4.2	11.5
45	27	Inter-City 20p	29	–2	—	—	—	—
180	158	[illegible]	175	......	d4.0	1.8	3.3	24.3
208	165	Jacksons Bourne	175	......	5.0	3.1	4.1	11.3
28½	19	James Inds. 10p	24	......	1.25	1.9	7.4	10.1
160	120	[illegible]	126	–2	Q80c	ϕ	6.1	ϕ
34	18	Jenks & Cattell	33	......	1.06	ϕ	4.7	ϕ
349	282	Johnson Clnrs.	300	+3	10.8	2.8	5.1	8.4
340	273	Johnson Mthy. £1	323	......	10.0	1.9	4.4	(14.1)
332	228	Johnston Grp. 10p	330	......	6.0	5.0	2.6	18.9
102	87	Jourdan (T.) 10p	98	......	5.6	1.2	8.2	13.6
59	39	Kalamazoo 10p	55xd	......	2.5	0.9	6.5	24.6
210	160	Kelsey Inds.	175	......	8.0	1.7	6.5	12.0
140	120	Kershaw (A.) 5p	135	......	15.0	0.6	15.9	(38.3)
54	39	Kleen-E-Ze Hldgs.	53	......	†3.0	0.2	8.1	—
70	52	L.C.P. Hlds	72	......	3.6	0.6	7.1	(42.1)
136	103	L.R.C. Int. 10p	126	–2	†3.1	2.0	3.5	21.3
30	17	Lamont Hldgs. 10p	29	......	1.2	1.8	8.0	8.1)
37	25	Lawtex	35	......	—	—	—	—
410	365	Lep Group 10p	365	......	17.5	1.7	6.8	(10.7)
28	22	Lilleshall 10p	28	+2	d1.0	—	5.3	—
700	255	Lon. & Liv. 10p	298	......	†2.45	2.4	1.2	43.4
129½	102	London & Midl'd	124½	–2½	7.75	1.1	8.9	(14.9)
66½	55	Lon. & Nthn. Grp.	65	+½	†3.75	2.1	8.2	6.9
40	32	‡Lon. Priv. Health	32	......	—	—	—	16.0
9½	7½	Long Hmbly. 10p	9½	......	ϕ8—	—	—	—
65	46	Longton Inds.	53	......	1.0	—	2.7	—
119	70	Low & Bonar 50p	100xd	–2	5.0	0.6	7.1	(48.8)

LEISURE—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
175	118	Boosey & Hawkes	170	+2	2.3	ϕ	2.0	ϕ
61	40	Campari Int. 20p	50	......	d2.73	ϕ	7.8	ϕ
30	23	Fairline Boats 10p	27	......	d1.0	—	5.3	—
16½	14½	GRA Group 5p	15½	......	—	—	—	19.9
58	45	Grampian TVA 10p	52xd	......	3.6	ϕ	10.4	ϕ
163	136	HTV Non/Vtg.	148	......	11.0	2.0	10.6	6.6
222	155	Horizon	155	–2	3.6	5.7	3.3	6.7
134	91	Intasun 10p	129	......	3.5	4.8	3.9	6.6
168	141	LWT "A"	147	......	11.08	1.1	10.8	11.8
378	187	‡Leisure Inds.	350	–5	ϕ6.0	3.0	2.4	16.6
147	101	Leisuretime Int 10p	112	......	g1.54	ϕ	2.0	ϕ
328	108	Mngmt. Ag. M. 10p	110	......	6.75	1.6	11.4	8.0
60	53	Medminster 10p	53	......	†4.0	0.8	10.8	16.7
128	63	‡Mimsle Int 20c	63	–5	—	—	—	—
145	68	Norton & Wrt. 10p	345	......	§2.17	0.5	3.2	—
29	23	‡Owners Abroad	23	......	0.5	ϕ	3.1	ϕ
47	38	Photax (Lon.)	38	......	—	—	—	—
153	100	‡Pascale Dance St 10c	100	......	b0.5	2.1	2.1	24.7
335	217½	Pleasurama 5p	305	–5	t5.75	4.5	2.7	18.1
163	108	‡Radio City 'A' NV	160	......	g5.6	1.6	5.0	17.6
207	138	Riley Leisure 10p	184	–2	3.95	ϕ	3.1	ϕ
118	84	Saga Hols. 20p	117	......	d3.73	—	4.6	—
515	345	Samuelson Grp 20p	500	......	ϕd12.0	2.8	3.5	17.2
104	94	Scott. TV "A" 10p	98xd	......	7.35	ϕ	10.7	ϕ
68	28	‡SelecTV 10p	42	......	—	—	—	—
16½	15½	TSW 5p	16xd	......	0.9	3.3	8.0	5.4
43	30	‡TVS N/Vtg 10p	33	......	—	—	—	—
29	22	‡Television Serv. 10p	22	–1	b0.2	3.3	1.3	33.8

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCE

LEISURE

PROPERTY—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
215	112	Mountleigh	210	+10	†5.5	2.2	3.7	(14.7)
175	155½	Mountview 5p	168	–4	3.2	8.3	2.7	6.3
82	68	Muckiow (A. & J.)	78	......	†4.25	1.5	8.0	(10.7)
93	72	New Cavendish 5p	78	......	—	—	—	—
118	87	North Brit. Props.	105	–2	3.1	0.9	4.3	(41.0)
42	34	Parkdale Hldgs. 10p	34	–1	0.4	4.3	1.7	18.7
162	125	Peachey	153	......	5.25	2.3	4.9	12.7
41	27	Phoenix Prop. and Fr.	35	......	—	—	—	—
165	132	Prop. Hldg. & Inv.	160	–2	†3.85	1.5	3.4	28.8
285	258	Prop. Part'ship.	277	......	†5.6	1.7	2.9	29.5
166	130	Prop. & Rev.	158	–2	3.3	1.4	3.0	34.1
129	93	Prop. Sec. Inv 50p	116	–1	†2.25	1.7	2.8	(12.9)
9½	7	Raglan Prop 1p	7½	......	—	—	—	6.5
68	50	Regalian	68	+17	ϕ1.0	4.7	2.1	11.4
30	17	Regentcrest 10p	18½	–½	§1.0	1.1	7.7	16.3
267	175	Regional Prop.	184	+1	†2.5	2.0	1.9	37.5
275	170	Rosehaugh £1	252	–3	2.45	6.6	1.4	11.4
207	152	Rush & Tompkins	194	......	6.0	ϕ	4.5	ϕ
114	82	Samuel Props	108	......	†d4.6	1.7	6.2	12.4
533	530	Sandrock Holding NV	530¾	......	Q52.50	ϕ	8.6	ϕ
89	76	Scot. Metrop. 20p	88	......	†3.5	1.1	5.8	23.1
75½	47	Second City 10p	73	......	ϕ†2.22	2.0	4.4	(13.5)
18	15	Sheafbank Prop.	15	–1	—	—	—	—
14¼	8½	‡Sheraton Secs. 10p	13½	–½	—	—	—	—
113	83	Slough Ests	109	+1	3.33	1.7	4.4	(16.2)
£252	£192	Do. 10% Conv. '90	£245	+3	Q10%	63.9	†4.2	—
£117	£96	Do. 8% Cnv. 91-94	£113	+1	Q8%	9.9	†7.3	—
162	150	Speyhawk	150	......	d7.0	2.4	6.7	7.2

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INVESTMENT TRUSTS—Cont.

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
£22½	£14	Eng. & Dutch Inv. (Pt £1)	£22½	......	v247%	0.9	5.2
167	122	Eng. & Internat'l	167	+2	5.75	1.0	4.9
72½	59½	Eng. & N.Y. Trust	68½	......	h2.18	1.0	4.5
104	73	Eng. & Scot. Inv.	101	+1	2.9	1.0	2.6
133	120	Eng. Nat. Inv. Pfd £1	133	......	10.0	ϕ	11.2
93	80	Eng. Nat. Inv. Defd.	93	......	5.1	ϕ	8.1
186	162	Equity Cons't £1	186	......	†9.71	1.0	7.5
325	289	Do. Def'd 50p	311	–2	†11.03	1.1	5.1
27	22	F. & C. Ent. Tst. 10p	26½	......	0.08	1.7	0.4
88	58	F. & C. Eurotrust	86	......	1.5	1.1	2.5
150	124	Family Inv. Tst.	150	......	6.3	1.0	6.0
260	220	Fashion & Gen. 5p	260	......	†14.4	1.0	‡
14	12	First Charlotte Assets	12½	......	0.05	ϕ	0.5
206	166	First Scot. Am.	182	......	5.15	1.0	4.0
104	83½	Fledgeling Inv.	98½	......	2.25	1.0	3.3
386	328	Fleming American	380	......	N4.25	—	1.6
160	130	Fleming Enterprise	158	......	6.5	1.0	5.9
199	159	Fleming Far Eastern	165	+1	F1.5	—	1.2
85½	70	Fleming Merc.	80½	+½	2.75	1.1	4.9
333	257	Fleming Japanese	314	–1	F1.75	—	0.8
332	254	Do. "B"	325	......	—	—	—
241	207	Fleming Overseas Tst.	223	+1	7.0	1.0	4.5
236	196	Fleming Tech. Inv.	226	......	4.3	0.9	2.7
203	173	Fleming Universal	195	......	6.75	ϕ	5.1
89	70	Foreign & Col	82½	+1	2.24	1.0	3.9
230	145	F.U.G.I.T. (R0.25)	230	......	Q15c	1.3	3.3
53½	47½	Fulcrum Inc	52	......	4.75	1.1	13.0
3¼	3¼	Do. Cap. 2½p	3½	......	—	—	—

Finance, Land, etc

OIL AND GAS

OIL AND GAS—Continued

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's	P/E
406	296	Brit. Petroleum	388	–10	20.25	1.5	7.5	(11.5)
79½	71	Do. 8% Pf. £1	79½	......	5.6%	[illegible]	10.1	—
206	157	Britoil 10p	194	–2	[illegible]	2.2	7.4	8.7
5½	3	‡[illegible]	5½	+½	—	—	—	—
9½	6½	‡[illegible]	9	......	—	—	—	—
176	125	Burmah £1	150xd	–3	9.0	1.8	8.0	8.7
£75¼	£67½	Do. [illegible]	£75¾	......	Q8½%	ϕ	11.8	—
175	105	[illegible]	135	......	—	—	—	—
205	135	[illegible]	200	......	—	—	—	—
175	127	‡Candecca Res.	158	–5	—	—	—	—
215	112	Carless Capel 10p	193	–2	2.75	0.6	2.0	—
78	60	Century 10p	71	......	3.4	1.5	6.8	14.3
49	30	Charterhall 5p	43	–2	0.3	—	1.0	—
113	76	Charterhouse Pet.	109	......	0.75	5.8	1.0	24.9
£16	£10¾	Cie Fr. Petroles B	£15	+½	v30%	—	14.2	—
61	32	‡[illegible]	55	–2	—	—	—	—
63	37	‡Croft Oil £1	48	–2	—	—	—	—
90	70	[illegible]	90	......	—	—	—	—
97	55	[illegible]	87	–3	0.61	—	1.0	—
21	15	[illegible]	17	......	—	—	—	—
92	70	[illegible]	70	......	—	—	—	—
150	75	‡[illegible]	150	......	—	—	—	—
24	12	‡[illegible]	18	......	—	—	—	—
42	21	‡[illegible]	26	......	—	—	—	—
75	64	[illegible]	74	......	1.39	1.5	2.7	36.6
133	92	[illegible]	98xd	–1	0.15	—	0.2	—
65	35	[illegible]	65	......	—	—	—	—
23	15	[illegible]	16	......	—	—	—	—

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1983 High	Low	Stock	Price	+ or –	Div. Net	C'vr	Y'ld Gr's
300	210	Falcon Rh 50c	250	......	Q70c	ϕ	21.5
21	14	Wankie Col. Z$1	21xd	......	Q5c	ϕ	14.0
28	18	Zam. Cpr SBD 24	20	–1	—	—	—

Australians

Tins

Miscellaneous

NOTES

REGIONAL AND IRISH STOCKS

OPTIONS

3-month Call Rates

"Recent Issues" and "Rights" Page 26

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FINANCIAL TIMES
Saturday May 7 1983

MAN IN THE NEWS

Name of the game in Europe

BY JOHN WYLES

THERE IS NO member of the European Commission with a better grasp of EEC politics than Christopher Tugendhat and yet there are several who are regarded as more politically effective. Perhaps the explanation lies in his rather different manner and an occasional nervous lack of confidence.

Or perhaps it lies in the fact that his first four-year term as a British Commissioner was overshadowed by Roy Jenkins' occupancy of the Commission Presidency and the start of his second by Mrs Thatcher's well publicised intervention to block any erosion of his responsibilities for the Community's budgetary affairs.

Whatever the past reasons for doubts about Tugendhat's solidity, he has for many months been posting a strong claim for full political heavyweight honours. Although he did not get all he wanted the proposals published by the Commission this week for


Christopher Tugendhat

simultaneously refinancing the EEC budget and for providing a long-term solution to Britain's excessive payments to Brussels testify to Tugendhat's political shrewdness and his skills at running difficult ideas past doubting foreigners.

One still wonders, though, whether Downing Street will see his achievement like that. Any virtue the Prime Minister finds in the Commission's proposals she may well credit to her own resolute campaign for satisfaction on the budget payments problem.

Equally, she may be tempted to attribute anything dubious in the contents to Tugendhat's "wetness" as a British politician who has become too European for his own good.

Mrs Thatcher's appreciation may be crucial for Tugendhat's future. When he returns to London at the end of next year he will be nearly 48 and will have gambled away eight precious years of political life on European politics. In the meantime, the Heseltines, the Brittans and the Tebbits have been confidently ascending on the lady's coat-tails.

The role of Commissioner is a difficult one at the best of times and Mrs Thatcher has never seemed to go out of her way to make life too easy for him. There have been times when she would have preferred a straightforward British agent in the Commission, but the reality in Brussels has to be far more subtle.

Tugendhat grasped that fact very quickly and is no less independent of his home government than any other Commissioner. His difficulty is that the perennial budget problem continually requires him to demonstrate sensitivity to the preoccupations "back home" and the capacity to develop a "European" solution.

His friends say that Brussels has matured him, expanded his vision and better equipped him for a British political career. Others still doubt whether he has the necessary experience and wonder whether his skills of political observation would not be better employed in the journalistic career which he gave up when he left the Financial Times for Westminster 13 years ago.

Former French European Commissioners rise to become prime ministers (viz Raymond Barre) but in the UK it is yet to be established whether there is a political life after Europe. (Lord) Christopher Soames and (Lord) George Thompson have not lacked for interesting employment since ending their spells as Commissioners in 1976 but not even Soames made the political front rank and Roy Jenkins's political career seems destined for a painful day of judgment in June.

Israeli Cabinet backs U.S. terms for Beirut pull-out

BY DAVID LENNON IN TEL AVIV

THE ISRAELI cabinet yesterday accepted in principle the U.S.-mediated plan for the withdrawal of its troops from Lebanon. But it is seeking further clarification of a number of the security and political aspects of the agreement.

Mr George Shultz, the U.S. Secretary of State, who has been shuttling between Jerusalem and Beirut for more than a week to bring about the agreement, described the Israeli decision as a "milestone."

Withdrawal of all foreign troops from Lebanon is an essential first step in U.S. attempts to revive President Ronald Reagan's Middle East peace plan.

Mr Shultz said as he was leaving Jerusalem for Jordan and Syria that he was "really pleased that the Prime Minister and the Cabinet of Israel had decided to accept the agreement . . . we are determined to keep on and do the traditional things that are necessary to see that it works."

The Secretary of State is expected to meet problems in Syria. Damascus has already indicated that it does not approve of the terms of the pact. If President Hafez Assad refuses to withdraw his forces from Lebanon, then Israel will not pull out its troops either.

Mr Shultz will stop over in Jerusalem on Sunday to report to the Israeli leaders on the outcome of his talks in Damascus. In the meantime, Israeli and U.S. officials are expected to work over the weekend on the clarifications being sought by Jerusalem.

The Israeli cabinet met for over six hours yesterday in sometimes stormy sessions as it debated the provisions of the agreement which could lead to the withdrawal of its troops who invaded Lebanon 11 months ago. Some Ministers complained that the provisions for guaranteeing Israel's northern border against Palestinian guerrilla attacks from Lebanon were inadequate.

Reuter reports from Damascus: Syria's state-run radio attacked the U.S.-backed agreement, indicating that it was likely to be rejected by President Assad. In a commentary broadcast just before the Israeli cabinet announcement, Damascus Radio said: "Any reading of the clauses of the draft agreement shows that Israel has achieved military and political goals which it failed to achieve through its invasion of Lebanon."

Nora Boustany adds from Beirut: The Lebanese Cabinet went into an emergency session following the announcement from Jerusalem. A senior official said: "We welcome the Israeli decision but we want to know what the clarifications are. We are prepared to stand by the agreement. And we hope this will be the start of a new era for Lebanon."

AP-DJ adds from Phoenix, Arizona: President Reagan has hailed the Israeli Cabinet's decision, according to Mr Larry Speakes, deputy Press secretary.

He said the President had spoken to Mr Menahem Begin, the Israeli Prime Minister, and to Mr Shultz and had "praised the constructive and positive spirit in which the negotiations were successfully concluded."

The U.S. did not believe the clarifications being sought by Israel would be a difficult task.

Extel tops United's bid for Benn with £12.5m agreed offer

BY CHARLES BATCHELOR

EXTEL, the sporting and financial news agency group, has launched a £12.5m agreed counter-bid for Benn Brothers, the publisher of specialist business magazines, topping an earlier contested offer from United Newspapers.

Extel held unsuccesful bid talks with Benn earlier this year, but has now been welcomed by the Benn board to ward off the approach by United, which publishes Punch and a range of provincial newspapers.

"Since we were so far down the road it was not difficult to pick up the conversation again," Mr Alan Brooker, Extel chairman said. "We think there is a lot going for the two companies together."

Extel and Benn plan to pool resources to research printing, comunications and computer technology, while Extel's experience of computerised data bases can be applied to Benn's statistical data, the two companies said.

Extel is offering three shares for every five Benn shares in a deal which values Benn shares at 186p each on the basis of yesterday's closing share price.

United's offer, worth 149p or a total of £11m when made on April 15, is now worth nearly 151p or £12.1m following the rise in United's share price in the meantime.

Mr Donald Anderson, joint managing director of United, said: "We are looking at the Benn offer. We considered ours was a spirited offer when we made it, and it has now increased in value."

Extel has the support of the Benn board and other shareholders owning 19.24 per cent of the capital, while United has 14.5 per cent of the equity commited to its bid.

It accompanied yesterday's bid with the announcement that audited pre-tax profits rose 18 per cent to £5.26m for the year ended March 31 after a strong second-half recovery.

The proposal is to pay a final dividend of 7.5p, making a total of 10p, an increase of 11 per cent on the previous year.

Extel will also pay £4.25m to buy Press Association out of the jointly-owned sports results service. This agreement has been under review by the Office of Fair Trading for several years.

Continued from Page 1

Amoco attacks oil sale

voir or an extension of the Montrose Field.

This will have a bearing on tax treatment of Arbroath production.

Arbroath is small by North Sea standards, containing about 50m barrels of recoverable reserves. Mr Dalton said the development could be justified only as a result of recent cuts in North Sea taxation.

It is expected that Arbroath will be exploited through a small steel platform and the oil transported via the Montrose Field.

Amoco is among dozens of North Sea companies which should hear next week whether they have been granted licences under the eighth round of allocations.

In the past Amoco has submitted a joint exploration application with British Gas, but this time, according to Mr Dalton, the two have decided to bid separately. Amoco is concerned that British Gas's future oil activities might be frustrated by the Government.

Socal considers sale of European assets, Page 25

Continued from Page 1

Thatcher

tage points over Labour, much less than in recent polls. But the Tories are encouraged by the Alliance share of the vote, less than in last year's local elections.

The results were undoubtedly disappointing for the Alliance, though not disastrous. As expected, the Liberals did better than the SDP, especially where they had established strong local roots, and they are now major challengers in any general election in, for example, Cheltenham, Yeovil and Chelmsford. The SDP, however, dropped back in some of its target seats, though its sitting MPs could do better in a general election.

Conservative concern about the Alliance challenge was reflected in the warning yesterday by Sir Geoffrey Howe, the Chancellor, that the SDP and Liberals could "yet cause great havoc in Tory seats."

John Lloyd and Margaret van Hattem write: Mr Michael Foot, the Labour leader, said the local poll results showed a trend in Labour's favour but this would have to be "pushed much further" to win a general election.

Mr Foot was speaking during the first session of a summit meeting between Labour Party and union leaders at the General and Municipal Workers' Woodstock College in South London.

Continued from Page 1

Hitler diaries 'forged'

ticity by Lord Dacre (formerly Professor Hugh Trevor-Roper) and the assurances received from Stern magazine."

Lord Dacre said yesterday, "I should have refused to give an opinion so soon." He added that he had been "convinced for some time" the diaries were forgeries. Asked if he would be staying on as a non-executive director of Times Newspapers, the Cambridge historian replied: "I don't know."

The company had agreed to pay Stern £250,000 during this year and next for the rights. Lord Dacre said he hoped the company would not now lose the money.

Many German historians and other authorities said from the first they believed the documents were forged. The son of Hitler's former aide, Herr Rudolf Hess, who is still a prisoner in Spandau prison, Berlin, said his father was the only person who could say firmly whether the diaries were authentic or not. However, the Bonn Government launched its own probe.

Lawson launches energy offensive

BY RAY DAFTER, ENERGY EDITOR

THE GOVERNMENT is to create an "umbrella" body to promote the UK energy conservation industry and to co-ordinate save-it campaigns.

The move, announced yesterday by Mr Nigel Lawson, the Energy Secretary, is in line with the main recommendation of a report by Lord Raynor, the Prime Minister's personal adviser on Whitehall efficiency.

Mr Lawson said the Energy Efficiency Office would be a "major step" towards promoting cost-effective use of energy, which was central to the Government's energy policy and economic strategy.

Whitehall departments have not yet agreed on the proposed transfer of some of their conservation interests to the office, it is understood.

The Rayner report recommended that campaigns promoted by the Departments of Environment, Transport, Industry, Health and Social Security should be merged with those of the Energy Department. Between them these departments administer more than £100m-worth of conservation schemes each year.

Mr Lawson told a London meeting of energy managers from industry and commerce that he intended to press ahead with the efficiency office to replace his department's conservation division.

The office will be headed by a director general and will operate in much the same way as the Offshore Supplies Office, set up by the Energy Department to promote the interests of UK oil equipment and service companies.

It will have three main objectives: to help the energy conservation industry develop and sell its products at home and abroad; to integrate and direct the Government's energy-saving publicity campaigns; to control and direct Government research and development work aimed at improving energy efficiency.

Mr Lawson said the Government also intended to improve the monitoring of industry's energy use. This was recommended more than a year ago in an as-yet unpublished report by its consultants, Armitage Norton.

The Energy Department has decided to spend up to £400,000 annually over the next four years encouraging the better monitoring of fuel and electricity use.

Mr Lawson gave no indication that the Government would give more aid to industry and domestic energy users to encourage greater savings.

"Energy users should pay the costs of the investment themselves and bear the responsibility for their actions, since it is they who stand to reap the financial benefits, he said.

Banks offer refinancing terms to Nigeria

By Margaret Hughes and Quentin Peel

A GROUP of the major international banks involved in financing trade with Nigeria have submitted a proposal to the Nigerian Government on refinancing part of the country's estimated $5bn (£3.2bn) arrears on short-term payments.

Barclays Bank International announced the move in London yesterday. It is clear, however, that a number of the 20 banks involved in discussions on a refinancing deal recently have yet to give their approval.

Barclays said last night that a group of banks had agreed terms which had been put to Lagos, but a number of banks involved in the discussions expressed surprise at the announcement.

It is understood that the loan would mean refinancing the outstanding short-term arrears owing to the participating banks. Repayment would be over 18 months, but the question of a six-month grace period and other terms have yet to be finalised.

Bankers in London were reluctant yesterday to put a figure on the loan because this will depend on the number of banks eventually taking part.

It is unlikely to be as much as the $2bn the Nigerian Government hopes to raise.

Yesterday's statement was made after Barclays received replies to a message it sent out earlier in the week outlining the proposal.

"The actual number being covered is short of everybody's hopes," one banker said yesterday. "A number of slightly reluctant debutantes are around. The expectation is that more banks might come in next week."

A team of Nigerian officials is expected in London next week to discuss the proposal.

The main banks behind the deal, Barclays, Banque Nationale de Paris, Societe Generale and Standard Chartered, believe the problem of short-term arrears should be settled ahead of any programme the Nigerian Government may agree with the International Monetary Fund. Others have argued that they should wait.

A team from the fund is due in Lagos soon — the second such visit in the past month—but no agreement is likely before September.

All but a handful of international banks have been refusing to confirm letters of credit on trade with Nigeria because of the extent of the arrears. These have built up because of the low level of Nigerian oil production.

Weather

UK TODAY

SUNNY periods and showers.

London, SE, E, Cent, S England, S Wales, Channel Isles
Sunny periods, showers. Max 16C (61F).

NW, NE England, N Wales, Isle of Man, Scotland
Showers or longer periods of rain. Sunny intervals. Max 14C (57F).

N Ireland
Rain, becoming more showery. Sunny intervals. Max 13C (55F).

Outlook: Becoming colder and windy.

WORLDWIDE

	Y'day midday	°C	°F		Y'day midday	°C	°F
Ajaccio	F	19	66	Luxmbg.	S	17	63
Algiers	S	24	75	Madeira		—	—
Amsdm.	C	17	63	Madrid	F	22	72
Athens	S	25	77	Majorca	F	20	68
Bahrain		—	—	Malaga	S	22	72
Barclna.	F	20	68	Malta	S	22	72
Beirut	S	20	68	M'chstr.	C	17	63
Belfast	F	13	55	Melbne.		—	—
Berlin	F	15	59	Mx. C.		—	—
Biarritz	F	17	63	Miami†	S	20	68
Bmghm.	C	16	61	Milan	S	22	72
Blackpl.	C	15	59	Montrl.†	S	6	43
Bombay		—	—	Moscow	C	13	55
Bordx.	F	21	70	Munich	S	16	61
Boulgn.	C	13	55	Nairobi		—	—
Bristol	C	15	59	Naples	S	20	68
Brussels	R	16	61	Nassau		—	—
Budpst.	F	15	59	Nwcstl.	C	11	52
Cairo		—	—	N Delhi		—	—
Cardiff	R	14	57	N. York†	S	9	48
Cape T.		—	—	Nice	C	16	61
Chicg.†	T	12	54	Oporto	F	16	61
Cologne	S	18	64	Oslo	S	16	61
Cpnhgn.	S	16	61	Paris	C	19	66
Corfu	S	24	75	Peking		—	—
Dallas	F	17	63	Perth		—	—
Dublin	C	10	50	Prague	C	13	55
Dbrvnk.	S	20	68	Reykjvk.	F	5	41
Ednbgh.	C	9	48	Rhodes	S	22	72
Faro	F	20	68	Rio J'o		—	—
Florence	F	20	68	Rome	S	20	68
Frankft.	S	17	63	Salzbrg.	S	17	63
Geneva	F	19	66	S F'cisc†	S	9	48
Gibraltar	S	22	72	Singapr.		—	—
Glasgow	R	11	52	S'tiago		—	—
G'nsey	F	13	55	Stckhm.	S	15	59
Helsinki	F	13	55	Strasbg.	S	19	66
H Kong		—	—	Sydney		—	—
Innsbrk.	F	19	66	Tangier	S	20	68
Invrnss.	F	12	54	Tel Aviv	S	22	72
I.o.Man	C	11	52	Tenerife	S	22	72
Istanbul	F	19	66	Tokyo		—	—
Jersey	S	15	59	Toronto		—	—
Jo'burg		—	—	Tunis	F	23	73
L. Plms.	S	21	70	Valencia	S	21	70
Lisbon	S	17	63	Venice	S	20	68
Locarno	F	22	72	Vienna	S	14	57
London	F	18	64	Warsaw	F	11	52
L. Ang.†	S	12	54	Zurich	S	18	64

C—Cloudy. F—Fair. R—Rain. S—Sunny. T—Thunder.
† Noon GMT temperatures.

THE LEX COLUMN

The City holds its breath

It was a Friday settlement day in the markets when the most elliptical of pronouncements from the Delphic oracle, arriving by chance on the stock market's news screen, might have seemed coarsely blunt. The ambivalence of the local government election results was neatly echoed for the City in the April unemployment figures, which pointed in both directions by promising a significant fall in the May total while underlining the upward trend.

Company news followed suit. There were few expressions of amazement in London or Glasgow that House of Fraser's extraordinary general meeting had failed to bring its domestic troubles to a clear-cut conclusion. More surprising, though, was the continued silence from the Bassishaw consortium about the future of its minority UDS shareholding, now deprived of much of its strategic value since Hanson has won a stake large enough to sell off whatever it pleases of UDS without hindrance.

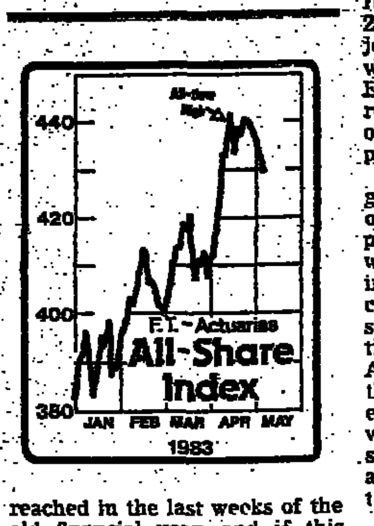
Shares in GKN showed more life than most and had risen several pence by the time its chairman addressed the annual general meeting about current prospects. In the event, it seems that GKN's first quarter profits of £10m were all made in March and second quarter profits are still expected to be only around £20m. This set the shares back again and they closed at 160p, up 1p.

Glaxo's shares were among the few to make any very positive move in a market numbed by indecision. U.S. investors appear to have ended their latest buying spree, for the moment at least, and the UK institutions have every inducement to conserve their cash ahead of further blue chip rights issues. With the new account starting on Monday, it was altogether time to stand by one's bed and await The Big Announcement.

Worries are understandably growing that if this does not come within the next week or so — or worse, if it should rule out a June general election altogether—the stock market might be in for a gentle bump. If June it is, on the other hand, there seems less prospect of another strong pre-election rally, 197 style. Too much has already been discounted.

One pretext for a June date guaranteed to find favour in the City could well spring from the money supply figures for April, due on Tuesday. If, for example, public-sector spending into April has maintained the levels

Index fell 0.6 to 694.4



reached in the last weeks of the old financial year, and if this has had the damaging effect some fear, then sterling M3 could jump alarmingly. A firm election date would be the best riposte to renewed concern on that score at least.

Zantac

The share price of Glaxo, one of the UK stock market's star 1982 performers, had been anticipating good news from the U.S. for months, and yesterday it duly arrived with the FDA approval for its Zantac anti-ulcer drug. With some questions about labelling still unresolved, yesterday's hectic trading took a topsy-turvy pattern. Nevertheless, the shares finished 40p up on the day at 895p, where they reflect the possibilities of the world's largest drug market: Tagamet, the SmithKline product which currently dominates the field of anti-ulcer drugs, is reckoned to have sales of between $400m and $450m a year in the U.S., only just under half its global turnover.

Tagamet's leading position could paradoxically play into Zantac's hands. Glaxo can throw the drug into the fray without having to see off a host of other rivals. In the highly competitive anti-biotic field, for example, Beecham's new Augmentin drug, launched in the UK with similar hopes to Zantac, has struggled hard while the Glaxo product has romped to a 30 per cent market share.

The possibilities of the anti-ulcer market are, of course, bound to attract newcomers — indeed, the Japanese company Yamanouchi is believed to have a product only two years away from launch — so a swift take off for Zantac is essential to the company's strategy. Hence Glaxo's policy of linking up with Hoffmann-La Roche to sell Zantac: similar licensing and joint venture deals have worked well so far in Western Europe, where Zantac is reckoned to have 75 per cent of the Italian market, and 25 per cent of West Germany's.

If Glaxo can achieve similar growth in the U.S., it could be on the way to justifying its present dizzy rating. Like ICI, which has caught U.S. investor interest with its Tenormin cardio-vascular drug, Glaxo's share price partly reflects attention from across the Atlantic. And if Zantac does its job in the U.S. market, it could be earning the sort of profits which would turn the company's present stratospheric multiple into a more reasonable 22 or so for the year to June 1984.

Steetley

The price indicated by Hepworth Ceramic's £115m all equity offer for Steetley has suggested consistently over the past two and a half weeks that the bidder will have to spice its terms quite considerably on the first closing date next Wednesday to avoid a pointless extension. Steetley, at 209p, still looks immune from the 189p offer value and the defence document, published yesterday, does not stand to alter the balance either way, however pithily it reads.

Steetley has succumbed to the understandable temptation of responding to a weak bid with a numberless reply. It is becoming an unwelcome feature of many contests, with the notable exception of Tilling, to turn the period up to the first closing date into a phoney war.

So the defence lacks a profits forecast: on the reasonable basis that the figures will look increasingly healthy the further a construction-led economic recovery gets into its stride. The dividend promise is not specific either and after the last cut that omission may rankle somewhat more.

The OFT must make its judgment early next week and, in view of the redundancies which the merged refractories would have to make, to say nothing of the strong market segment each group holds in this sector, the bid may be put on ice before the middle of next week anyway.

The OFT may decide to look at the building materials market in very broad terms, and in that instance it could conceivably see an overlap between product areas which on the face of it are fairly distinct.